

# INTERNATIONAL Herald Tribune

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## For Rwanda's Children, a Drift Toward Death

**Reuters**  
GOMA, Zaire — Their suffering is tragic but also needless — just a kilometer from one of Africa's biggest lakes, Rwandan children are dying of dehydration and malnutrition.

Too exhausted or too small to get down to the shores of Lake Kivu, children who have lost their parents sit or lie in the streets of Goma, slowly succumbing to death.

A few miles away, an international airlift is bringing in tons of supplies, but until now, almost a week after the exodus of more than a million Rwandans began, little has been distributed.

Some food and water have been handed out, several kilometers to the north, because the aid agencies are trying to lure the milling refugees out of Goma, near the Rwandan border, to refugee camps.

But for many who have already trekked for weeks through Rwanda, this last journey has just been too much.

Outside the Hotel Grands Lacs, a small band of children collapsed in the sun. One young boy had a baby strapped to his back who was clearly close to death.

A reporter dashed into the hotel for bottled water — running water was cut off several days earlier — and a lone Zairian Red Cross worker started coaxing it down the baby's throat.

After a while a flicker of life appeared in the child's eyes. The Red Cross nurse went along the row of seven children, slowly pouring water into their mouths.

For the Rwandan children whose mothers were among the 100 people killed in stampedes or by mortar fire on Sunday, whether they live seems to depend on chance.

Half an hour before this scene, a Unicef truck went by, picking up what the United Nations calls "unaccompanied children" from the street. It soon filled up and did not take the group of seven.

Juan Carlos Espinola, in charge of the operation, said

that Unicef had recovered 1,400 children who had either been orphaned or had lost their families in the crowds fleeing Rwanda's civil war.

The children are taken to Ndoso, an orphanage outside Goma, and then farther north to a camp at Karale, where the process of registration and tracing families begins.

"I lost my mother and father," said Albert Nkito, a student.

"When the rebels came quickly to Gisenyi we ran," he said. "They opened fire and we lost each other. I don't know if they are alive or not."

Near the border crossing, where many refugees died Sunday as the rebel Rwandan Patriotic Front battled government forces, the stench of death rose from the bodies strewn on the ground.

Two days after the killings, no one had collected the

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Rwandan refugees running from the landing strip at the airport in Goma, Zaire, as a transport plane carrying aid supplies landed Tuesday. *Jack Dagum/Rex Features*

## Delegates Favor Geneva for World Trade Headquarters

*Compiled by Our Staff From Dispatches*  
GENEVA — A "strong majority" of GATT delegates are in favor of Geneva over Bonn as the site for the new World Trade Organization, a senior official said Tuesday.

Although the consensus decision is not expected to be made final by the WTO Preparatory Committee until Friday, Hungary's delegate, Andras Szepesi, informed a WTO subcommittee on finance that Geneva had the support of most GATT mem-

ber countries, and that over 90 percent of the delegates had made up their minds.

German delegates were already admitting defeat. "When they make the decision on Friday evening, we will be the first to congratulate Switzerland," Germany's delegate to the General Agreement on Tariffs and Trade, Alois Jelonek, said after the meeting.

"We will take our defeat like gentlemen. Bonn has all the qualifications for an international center and we will relaunch it."

The German economics minister, Günter Rexrodt, who had proposed Bonn as the new seat, conceded in a statement that it was apparently "not obtainable." He attributed the loss to the support of the United States for Geneva and to France's backing for the French-speaking city on its border.

Mr. Szepesi said that although both bids had been attractive, practical concerns had tipped the balance.

Diplomats said that Mr. Szepesi — who

as chairman of the subcommittee had been seeking opinions — proposed that GATT missions supporting Bonn reconsider their position in consultation with their governments.

As GATT's headquarters since 1948, Geneva is also host to a number of international organizations with which the WTO will have to work. A move to Bonn could be a hindrance to the smooth transition from GATT to WTO, observers have noted.

*(AP, Reuters, AFP)*

## Serbs Duck a Yes or No On Bosnia's Partition

### Parliament's Secret 'Declaration' Is Intended to Balk Western Plan

By David B. Ottaway  
*Washington Post Service*

PALE, Bosnia-Herzegovina — The Bosnian Serbs reached a secret decision Tuesday on whether they would accept a Western partition plan for Bosnia and said they would make it known when they met international mediators in Geneva on Wednesday.

Waving a sealed pink envelope that he said contained a "declaration," the Bosnian Serbian minister of information, Miroslav Toholj, said after a two-day session of the Bosnian Serbian Parliament that it would be delivered to the five-nation Western Contact Group, which was responsible for drawing up the plan.

"I'm afraid I cannot tell you any more than that," he said.

Judging from the comments of Serbian deputies and officials, it appeared likely that the "declaration" contained a carefully worded and highly ambiguous reply aimed at allowing negotiations over the plan to continue without giving a clear yes or no answer, other than probably accepting implicitly or explicitly the proposed division of the country roughly into two parts.

The reply is likely to contain demands that some changes be made in the proposed map outlining how Bosnia would be carved up as well as a request for a clarification on the constitutional principles underlying the overall peace package, including a demand that the Bosnian Serbs' own "Republic of Srpska" be recognized and given the right to form a confederation with Serbia.

The Bosnian Serbian reply may also ask for a reopening of the question of the status of Sarajevo, the country's capital, which is supposed to come under United Nations administration for two years.

This approach of seeking to reopen the negotiations seems likely to infuriate the Contact Group — consisting of the United States, Russia, France, Britain and Germany — which had demanded a clear reply.

It had threatened Serbia with more UN sanctions and the Bosnian Serbs with a lifting of the present arms embargo on their enemies, the Muslims and Croats, if they did not give an unambiguous yes answer.

But the decision to keep the reply a secret was seen here in Pale, the capital of the Bosnian Serbian self-proclaimed republic, as a clever tactical political ploy aimed at keeping the Western mediators off balance and avoiding a crisis at home.

"It's a brilliant move because there's no danger of alienating the domestic audience by any concessions that may have been made, with a subsequent collapse of morale, and the Contact Group will not know what to expect," said a Bosnian Serbian official.

Another official said the reply was being kept confidential for two days to prevent the international media from interpreting its meaning before the Bosnian Serbian leadership had had a chance to give its own interpretation to members of the Contact Group.

The Western plan calls for the partition of Bosnia and would give the Muslim-Croatian federation 51 percent of the country and the Serbs the remainder, a division that would require the Serbs to give up about 30 percent of what they now hold.

Both the Bosnian Serbian president, Radovan Karadzic, and many of the 75 depu-

ties

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## Italian Leader Scraps Decree In Attempt to Defuse Crisis

By William Drozdiak  
*Washington Post Service*

ROME — Facing a revolt in his ruling coalition and a fire-storm of public outrage, Prime Minister Silvio Berlusconi scrapped Monday a decree limiting the powers of Italy's anti-corruption judges and announced that a new law would be drawn up to protect civil liberties.

In a humiliating retreat in the face of his biggest political crisis, Mr. Berlusconi effectively conceded that bribery suspects caught up in the massive corruption scandal would again be subject to preventive detention, which had kept many of them in prison for months without trial.

A government decree published last Wednesday lifted pretrial custody against bribery suspects, allowing more than 1,000 politicians and businessmen awaiting trial to be released from prison.

But the intensity of public outrage and the danger that his three-month-old government might collapse forced the media tycoon to recant on his promise to bring the rights of defendants up to the level enjoyed in other Western societies.

"A ministerial crisis now would have damaged the government's necessity to tackle urgent economic problems as well as threatened the institutional life of the country," Giuliano Ferrara, a government spokesman, said.

He said a new draft law would be presented to Parliament next month that would restore bribery and corruption charges to the list of serious offenses, including terrorism and Mafia-related crimes, that are subject to pretrial custody.

Besides dealing a serious blow to Mr. Berlusconi's prestige, the crisis over the judiciary's powers of arrest also underscored the fragility of his fractious ruling coalition and its problems in reaching consensus on tough issues.

The separatist Northern League and the neofascist National Alliance hold disparate views over basic functions of the national government, including the budget, taxes and regional powers. But on the preventive detention decree, they joined forces to force the prime minister to backtrack on what he staked out as a matter of immutable principle.

"Reason has prevailed," Gianfranco Fini, head of the National Alliance, said after the government compromise was reached. "There are neither victors nor vanquished. We are extremely satisfied."

Judging from the public fury over

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## U.S. Trade Deficit Leaps

By Peter Behr  
*Washington Post Service*

to increase the amount of dollars held by foreigners, putting downward pressure on the dollar's value.

In other ways, the bad news in the trade report stemmed from positive economic factors. A relatively strong U.S. economy continued to pull in imports at a fast clip, while exports to weaker economies abroad could not keep pace.

With Germany and Japan headed toward economic recovery, U.S. exports should increase during the balance of the year, said David Rolley, a senior economist with DRJ/McGraw Hill Inc., a Lexington, Massachusetts, forecasting firm.

"We're having a gradual acceleration in export growth, but it won't be sufficient to keep the monthly trade numbers from widening this year," Mr. Rolley said.

"Import demand is quite strong because the domestic economy is strong," he said. "And oil prices are moving up." U.S. purchases of foreign crude oil rose 10 percent between April and May, or \$1.27 a barrel. "That's going to continue," Mr. Rolley said. Stronger economies in Europe and Japan translate into higher energy costs ahead.

The breakdown of U.S. trade with various foreign countries provided conflicting signals.

While the U.S. deficit with Japan improved to \$4.4 billion in May, from \$5.5 billion in April, Japanese trade data indicate that the deficit between the two countries increased in June. That data will be reported by the U.S. government next month.

The U.S. deficit with Western Europe expanded to \$1.4 billion in May, compared with \$83 million the previous month, but Mr. Rolley and other analysts said they thought that U.S. exports to Europe would

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## Public Tears for One of Last Stalinists

By Andrew Pollack  
*New York Times Service*



Tuesday in a dark Mao jacket flanked by other high officials, bowing before his father's coffin and later standing outside as the motorcade began.

"In the funeral ceremony he looks in control over everything," said Yu Suk Ryul, a professor at the South Korean Institute of Foreign Affairs and National Security, which is affiliated with the South Korean government. "He wants to show this to the Western world." Attention is

See KOREA, Page 6

## Germany Honors a Hero: Man Who Tried to Kill Hitler

By Rick Atkinson  
*Washington Post Service*

BERLIN — He is an unlikely martyr, a traitor whose courage far exceeded his competence as an assassin, a conservative aristocrat whose admiration for his Nazi superiors only gradually yielded to revulsion and resistance.

But Germany must take its war heroes where it finds them and thus, Count Claus Schenk von Stauffenberg has been elevated to demigod status for a noble failure: his botched effort to kill Adolf Hitler and end the terror of the Third Reich.

Of the 2,077 days that passed from the beginning to the end of World War II, Germans can revel in only one — July 20, 1944, the date of Stauffenberg's unsuccessful bombing of the Führer's East Prussian headquarters.

In this long season of 50th anniversaries commemorating bygone heroics, Germany's opportunity for fond

remembrance has finally come round and the country is making the most of it.

"Nobody likes to celebrate a defeat, as Normandy was for us," said Commander Jörg Duppler, a military historian in the German Defense Ministry. "But the 20th of July is really something we're proud of. My opinion is that it's the only thing we can be proud of during World War II and the Nazi regime."

Stauffenberg's attempted coup will be honored with a high-level ceremony in Berlin, as well as a traveling exhibition titled "Against Hitler: German Resistance to National Socialism, 1933-1945," which opened Thursday at the Library of Congress in Washington.

While extolling the virtue of those, like Stauffenberg, whose righteous impulses cost them their lives, the exhibit inevitably underscores how few and ineffectual the resisters were.

"You shouldn't get the impression that Germans were

resistance fighters; certainly not," said Johannes Tuchel, director of Berlin's Memorial to German Resistance. "You can point out that during this dictatorship a handful of people resisted, but you cannot use them to counterbalance the crimes of National Socialism. You can't diminish the atrocities of the Third Reich."

As seems inevitable whenever the subject of World War II is broached in Germany, controversy is not far off. Chancellor Helmut Kohl has grabbed the spotlight for the 50th anniversary commemoration next Wednesday and will be the featured speaker at a ceremony on the site where Stauffenberg and several co-conspirators were executed.

Mr. Kohl's opponent in the upcoming federal election, the Social Democrat Rudolf Schäping, has accused the chancellor of politicizing the event and exploiting the

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Dow Jones	Trib Index
Down 7.12	Down 0.53%
374.31	113.90
The Dollar	previous close
DM 1.5685	1.5467
Pound 1.5468	1.5614
Ven 89.20	88.41
FF 5.376	5.3065

Newstand Prices	
Andorra	9.00 FF Luxembourg 40 L Fr
Antilles	11.20 FF Morocco 12 Dh
Cameroun	1,400 CFA Côte d'Ivoire 8.00 Rials
Egypt	9.00 E.P. Saudi Arabia 9.00 R.
France	9.00 CFA Senegal 9.50 CFA
Gabon	960 Dr. Spain 200 PTAS
Greece	300 Dr. Turkey 1,000 Din
Italy	2,000 Lira Tunisio 1,000 Dinars
Ivory Coast	1,120 CFA Turkey 1,120 CFA
Jordan	10 D.J. U.A.E. 8.50 Dirh
Lebanon	1.50 U.S. Mil. (Eur.) \$1.10

## Panic Drives Rwandan Exodus

### Victors Vow to Spare Noncombatant Civilians

By Barry James

*International Herald Tribune*

Despite assurances from the victorious Rwandan Patriotic Front that it will not kill non-combatant civilians, panicked refugees fled across the frontier into Zaire on Tuesday in an exodus of "biblical" proportions.

A further 500,000 people were reported to have crossed into Zaire from southwestern Rwanda in addition to the million or more who fled across the northwestern frontier into the region around Goma.

The fear now is that up to two million more refugees could

flood into Zaire through the security zone France established in the southwest of Rwanda.

"The whole country is coming out of its borders," said a spokesman in Goma for the United Nations High Commissioner for Refugees, which has stockpiled food and supplies for about 500,000 refugees and says it is overwhelmed. "It is frightening of biblical proportions," said the agency's spokeswoman in Geneva, Sylvana Fox.

The Tutsi-dominated Patriotic Front has captured the entire country with the exception of the security zone. It swore in

a new government — with members of the majority Hutu tribe as president and prime minister — in Kigali, the capital, on Tuesday.

In Paris, the French foreign minister, Alain Juppé, conceded that the Front appeared "to have effectively won the war."

He said France would negotiate the end of its humanitarian mission with the Patriotic Front, and called on it to follow up its victory by assuring people it would not harm them.

At the same time, in what appeared to be an attempt to head off a threat by the Patriotic Front to enter the security zone in search of genocidal killers, French officials said that members of the former Rwanda government had left the zone and gone to Zaire. As many as 500,000 people, mostly Tutsi, were massacred by the Hutu army and militia following the death of the Rwandan president on April 6 in an air crash.

Although there have been unconfirmed reports of summary executions, there has been nothing to suggest that the Patriotic Front has engaged in indiscriminate large-scale killing, according to Kenneth Roth, executive director of Human Rights Watch/Africa.

Aid workers said virulent radio broadcasts, warning that the Tutsis were coming to kill their opponents, had touched off the exodus.

In Paris, Jean-Luc Bodin, the head of International Action Against Hunger, said the deposed Rwandan government had taken a mobile radio with it into Zaire and was "scaring people out of their wits."

The head of the Patriotic Front forces, Paul Kagame, said earlier: "There is no need for anyone to flee Rwanda. We guarantee all Rwandans stability and security."

In Brussels, a spokesman for the Doctors Without Borders relief agency, said it was urgently necessary to get the refugees home to harvest crops and plant food for next year.

### Tutsi Training Paid Off In Overcoming Hutu

By Donatella Lorch

*New York Times Service*

After nearly four years of intermittent war, Rwanda's Tutsi-dominated rebel front has routed the larger, Hutu-controlled Rwandan Army through a combination of perseverance, superior tactics, and a big edge in motivation and discipline.

"The rebels were both better led and better trained," said Frank Smyth, the author of "Arming Rwanda: The Arms Trade and Human Rights Abuses in the Rwandan War," a report by Human Rights Watch released in January. "They were a more highly motivated and disciplined force. It's surprising to me that the army held out as long as it did. They felt they were fighting for their lives. The Presidential Guard were good killers. But overall, this was a classic despot army."

Although combat casualties were small compared with the 200,000 to 500,000 Tutsi civilians slaughtered by Hutu military and militia units, the war between the Rwandan Patriotic Front and the government was vicious and often involved modern weapons. In the battle for the capital, Kigali, each side pounded the other with heavy mortars, recoilless rifles and howitzers.

The two sides had been involved in an arms race since 1990, after the rebels' unsuccessful invasion of Rwanda from bases in Uganda. The rebels won some territory in the north, but failed to go farther because of insufficient training or arms, and also because the French government sent in paratroopers and advisers to bolster the Rwandan government.

The size of the Rwandan Army was rapidly increased from 5,000 soldiers to about 30,000, Mr. Smyth said. Thousands more Hutu were trained as militiamen by the ruling party of President Juvenal Habyarimana. But Mr. Smyth said that aside from some specialists, most of the soldiers and militiamen were undisciplined.

The rebel forces, whose top officers had combat experience fighting in the rebellion that installed Yoweri Museveni as the president of Uganda in 1986, also grew, to about 15,000. The source of their arsenal is less clear-cut: They have insisted that their weapons were either stolen from the Ugandan military, won in battle or bought on the open market with money donated by the Tutsi diaspora.

The rebels told Mr. Smyth they had long-range Katyusha rocket launchers, mortars, recoilless rifles and land mines.

The rebels had observed a cease-fire since December 1993. But when Mr. Habyarimana's plane crashed on April 6 and mass killings by Hutu militia began, the rebels moved to the outskirts of Kigali. It took them nearly three months, however, to capture the capital.

Rebel officials insist Kigali was never their immediate goal, and Mr. Smyth said he believed rebel tacticians felt that if they captured Kigali too soon, their troops risked being encircled and bogged down.

"I think the RPF's primary goal was to target the militias more than the army," Mr. Smyth said. "Those were the ones doing the killing."

Rebel tactics involved first sweeping through the eastern sector of the country and then slowly choking off the capital. By the time they captured Kigali's airport in late May, government forces were already highly demoralized and many were fleeing.

### Militants Kill Israeli Officer In Gaza Strip

By Joel Greenberg

*New York Times Service*

JERUSALEM — Muslim militants shot and killed an Israeli Army officer in the Gaza Strip on Tuesday in what they called a revenge attack for the killing of two Palestinians and the wounding of scores of others on Sunday when laborers rioted near a border crossing into Israel.

The armed wing of the militant Islamic group, Hamas, claimed responsibility for the attack, an ambush of an Israeli patrol jeep near Rafah on the border between the Gaza Strip and Egypt.

Under the Israeli-Palestinian Liberation Organization accord on Palestinian self-rule in Gaza, Israel controls the border zone between the strip and Egypt. Palestinian police are required to prevent attacks from the self-rule areas on Israel.

A leaflet signed by Hamas' armed wing, the Qassam brigades, said the shooting was "swift and direct" revenge for the "terrible massacre carried out by Rabin's soldiers" on Sunday at the Erez border checkpoint at the northern edge of the Gaza Strip.

Israeli soldiers had opened fire to repel laborers who had hurled rocks and bottles, set fire to a bus depot and destroyed a gas station.

The attack on Tuesday occurred at about 6:00 A.M. when an army patrol along the frontier with Egypt stopped to check a ladder leaning on the border fence, an army spokesman said. This ladder was apparently intended to lure the soldiers to the area.

Iraq fired Scud missiles and threatened to use chemical weapons against Israel and Gulf Arab countries during the U.S.-led offensive that forced Baghdad out of Kuwait.

Judge Hartmut Klotz, presiding over the court in the southern German city of Augsburg, said the components could have equipped enough Iraqi Styx and Scud rockets "to wipe out the entire Middle East."

Two managing directors of the company had already been convicted. Mr. Eyerle, 70, said he had not known of their activities.

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President Leonid Kuchma of Ukraine, briefly overcome by emotion while viewing a parade with his predecessor, Leonid Kravchuk, after his inaugural in Kiev on Tuesday.

### Strict Rule Vowed in Ukraine

Reuters

KIEV — President Leonid D. Kuchma took the oath of office Tuesday as Ukraine's second post-Soviet head of state and said his time for romanticism and experiments was over.

Mr. Kuchma pledged to forge ahead with economic changes and quickly relieve the poverty caused by two and a half years of recession.

"Strict and unpopular measures will have to be taken," he said. "We must not yield to the temptation of cosmetic measures, of closing our eyes, of deceiving the nation."

"The state has no time for experiments. The people have neither the time nor the patience for them."

He added: "Political romanticism and euphoria associated with a new state need to be replaced with realism, concrete action and pragmatism."

Since his resounding election win over Leonid M. Kravchuk, the former Communist who led Ukraine to independence, Mr. Kuchma has pledged to proceed with "evolutionary, not revolutionary reforms."

He has stressed that entering an economic union with Russia, which he promised during

his campaign, does not mean restoring Ukraine's Soviet-era links with Moscow and will not harm relations with Germany, the United States and other countries.

Mr. Kuchma has said his first moves will be to liberalize controlled foreign exchange markets and to ease tax burdens.

Official figures released on the eve of the inauguration underscored the extent of the catastrophe after Mr. Kravchuk's failure to put together a comprehensive economic program.

The figures show that industrial production plunged nearly 40 percent in the first six months of the year, with production of some consumer goods falling by up to 80 percent.

Mr. Kuchma also proposed making Russian, the mother tongue of a large numbers of Ukraine's 52 million people, an official language. Ukrainian, discouraged for centuries under czarist and Kremlin rule, would remain the state's "third language."

His proposal provoked cries of "shame" from nationalists, but they were overwhelmed by applause from the large contingents of Communists and allies elected to Parliament earlier this year.

### Santer, in First Day of EU Grilling, Says He Opposes Nations' Veto Power

Compiled by Our Staff From Dispatches

STRASBOURG, France — Prime Minister Jacques Santer of Luxembourg, the European Union's chief executive-designate, said Tuesday that he opposes the veto power that members wield over sensitive matters.

Mr. Santer also expressed opposition to Britain's exemption from the group's labor laws and social security policies.

His comments came during the first session of a three-day grilling by the 567-seat European Parliament, which will vote Thursday on whether to approve the president of the EU's executive branch, the European Commission.

If the Parliament rejects Mr. Santer, chosen by a Christian Democrat who has served as prime minister for 10 years, EU leaders will be forced to find another candidate.

In other action Tuesday, a German Socialist, Klaus Haensel, 55, was elected president by an overwhelming majority of the legislature's 567 members. He exhorted members, almost two-thirds of whom are new to the job, to get down to business.

"I think today we now need to get down to work and do our duty," Mr. Haensel told his house.

He vowed to raise the Parliament's profile and win it more powers when the European Union's internal workings are reviewed in 1996. "The European Parliament must become more visible and not just reappear again in 1999 for the next elections," he said.

He said he had always objected to Britain's reluctance to join its partners on the Continent in their tradition of social welfare.

"A European Union can't conceive of itself without a social dimension," he said.

Mr. Santer met with the EU

assembly's two main political parties, the Socialists and the centrist Christian Democrats.

Under the trade bloc's new Treaty on European Union, the assembly has the right to approve the president of the EU's executive branch, the European Commission.

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### WORLD BRIEFS

#### U.S. Tries New Tack in Syrian Talks

DAMASCUS (Reuters) — Secretary of State Warren M. Christopher met Tuesday with President Hafez Assad and outlined new U.S. thinking on the impasse with Israel over the Golan Heights, but he said afterward that the negotiations remained difficult.

"We've developed some approaches that I outlined today," he said after a two-hour meeting with Mr. Assad. He declined to give details. Mr. Christopher had talks in Israel on Monday.

He said his discussions with Mr. Assad had been useful and that both Syria and Israel were "very serious" about making progress. "But we are still in the process of a very difficult negotiation," he said. "The issues are complicated and intertwined."

#### 2 UN Peacekeepers Killed in Somalia

MOGADISHU, Somalia (Reuters) — Gunmen killed two UN peacekeepers and captured 11 in a Mogadishu ambush, the United Nations said Tuesday.

The gunmen released the captives and turned over the two bodies within hours of the Monday firefight. The UN military spokesman, Major Rick McDonald, said the two Malaysian peacekeepers were killed when gunmen ambushed a three-vehicle patrol near the "Green Line" dividing the capital.

It was the worst attack on peacekeepers in Somalia in two months. Secretary General Boutros Ghali said it underlined the need for a critical review of UN operations.

#### China-India Border Talks Stalemated

NEW DELHI (AFP) — Foreign Minister Qian Qichen of China completed a visit to India on Tuesday that failed to make progress in the border dispute between the two countries, but may lead to increased trade.

Mr. Qian, who left for Nepal, held talks with Prime Minister P.V. Narasimha Rao, Commerce Minister Pranab Mukherjee and other Indian leaders during his three-day stay.

Mr. Qian indicated Monday that he and Mr. Rao basically agreed to disagree and that settlement of the dispute would remain in the hands of a group of experts who meet regularly.

"Two mature nations should not expect any overnight solutions," he said.

#### Muslims Threaten Hindu Pilgrims

SRINAGAR, India (AP) — Muslim guerrillas threatened Tuesday to kill Hindus if they attempt an annual pilgrimage to a Himalayan shrine in the disputed state of Kashmir.

An advertisement in The Srinagar Times by the pro-Pakistan guerrilla group Harakat ul-Ansar also warned Muslim hotel operators and tourist agents not to help Hindu devotees during their two-week journey early next month.

It was the first time guerrillas have threatened to disrupt the pilgrimage since they began a separatist revolt four years ago in Jammu-Kashmir, India's only Muslim-majority state. More than 9,400 people have been killed since then.

#### Strikes' 16th Day Shuts Nigeria Cities

LAGOS (Reuters) — Economic activity in Nigerian cities came to a virtual halt Tuesday as anti-government strikes, in their 16th day, grounded transportation and shut factories.

In Lagos, the biggest city in Nigeria, many banks, offices and stores were closed because of the strikes, which have been led by oil unions.

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# THE AMERICAS / BLAZING FRAGMENTS

## POLITICAL NOTES

### Panel Unanimously Backs Judge Breyer

WASHINGTON — Stephen G. Breyer's nomination to the Supreme Court has won unanimous approval from the Senate Judiciary Committee, clearing the way for quick confirmation by the full Senate.

The 10 Democrats and 8 Republicans on the panel voted to recommend approval of President Bill Clinton's nomination of Judge Breyer, a longtime federal judge from Boston.

The committee chairman, Joseph R. Biden Jr., Democrat of Delaware, said he hoped that the vote by the panel would get Judge Breyer's nomination before the full Senate on Friday. If not, he said, the Senate vote would come early next week.

Mr. Clinton nominated Judge Breyer to replace Justice Harry A. Blackmun, who is retiring.

As a witness before the Senate committee, Judge Breyer bolstered his reputation as a careful pragmatist who is likely to find a comfortable home at the middle of the generally conservative high court. He at times sounded somewhat liberal, in voicing general support for affirmative action and separation of church and state. But he also indicated that he could vote to uphold capital punishment and stringent sentences for some criminals.

About abortion, Judge Breyer said he considered a woman's right to end her pregnancy "settled law." But he did not say whether he agreed with or opposed past Supreme Court rulings establishing that right. (AP)

### Peeping at Tax Files for Fun and Profit

WASHINGTON — More than 1,300 employees of the Internal Revenue Service around the country have been investigated since 1989 for possible improper use of the agency's computers to snoop on taxpayers, according to government officials.

In most instances, the violations appear to have involved browsing by curious employees who were interested, for example, in the financial standing of friends, neighbors, enemies, potential in-laws, stockbrokers, celebrities and former spouses.

In about a third of the cases, employees have been subjected to sanctions ranging from counseling to discharge, with several hundred cases still unresolved. Most of the rest of the investigations concluded that the employees were engaged in official business.

Some employees were said to have been guilty only of misguided attempts to help friends cut through red tape or interpret often confusing Internal Revenue Service communications.

A few cases, however, involved tampering with data to generate fraudulent refunds and kickbacks to the employees. Some indictments are said to have resulted.

"How much of this was prelude to fraud and how much was just prurient window-peeping is difficult to say," said Senator John Glenn, Democrat of Ohio, who heads the Senate Government Affairs Committee.

But he called the findings "disturbing," adding that the agency had a moral and legal obligation for confidentiality "when Americans sit down and provide the government with their most personal information." (NYT)

### Virginia Poll Shows North and Robb Tied

WASHINGTON — The volatility of Virginia's four-way Senate race is reflected in a new poll that shows the Republican nominee, Oliver L. North, and the Democratic nominee, Charles S. Robb, tied for the lead.

Each man was the choice of 29 percent of likely voters surveyed, while the two independents, former Democratic Governor L. Douglas Wilder and J. Marshall Coleman, were favored by 16 percent and 11 percent, respectively. Fifteen percent were undecided. Three previous polls by other organizations have shown Mr. Robb leading, although not by substantial margins.

The new poll, of 527 randomly selected likely voters, was conducted July 7 through 15 by the survey research laboratory of Virginia Commonwealth University. (WP)

### Quote/Unquote

**Senator Dianne Feinstein, Democrat of California, who plans to introduce a bill requiring mandatory expulsion for a year of any public school pupil caught carrying a gun to school, was asked what would happen to students during the year they are barred from classes. She replied: "If you bring a gun to school, you're probably not learning anything anyway. And the other students will feel safer."** (LAT)

## Israelis Accuse Tehran in Blast

### Rabin Says Trail in Argentine Bombing Leads to Hezbollah

Compiled by Our Staff From Dispatches  
BUENOS AIRES — Israel said Tuesday that Muslim militants tied to Iran were apparently behind a bomb attack on an Argentine Jewish center here in which at least 27 people were killed and about 130 wounded.

In addition, as many as 70 people were unaccounted for on Tuesday, more than 24 hours after the explosion.

President Carlos Saúl Menem of Argentina promised that "everything humanly possible" was being done to catch the people responsible, as a team of agents from Mossad, the Israeli secret service, arrived in Buenos Aires on Tuesday to help investigate the bombing.

Israel also sent a rescue team, police bomb experts and army specialists.

"Argentine soil has already soaked up the blood of innocent people, among them Israelis in the terrible attack on our embassy building there only 28 months ago," the Israeli foreign minister, Shimon Peres, told Parliament in Jerusalem. He was referring to a bomb attack on the Israeli Embassy in Buenos Aires in March 1992, in which 30 people were killed.

Mr. Peres said Tuesday that Herz

and more than 200 wounded. At the time, the trail led to Iran and also now preliminary information in our hands points to the involvement of hostile Middle Eastern elements who do not shy from using any measure to hurt those who seek peace," Mr. Peres said.

In an interview with the Israeli Army radio about the explosion Monday in Buenos Aires, Prime Minister Yitzhak Rabin also referred to the 1992 attack.

"If we judge by the past, and I think we can do that, it is clear where the threads are leading," Mr. Rabin said.

"Moreover, in our assessment, there was concern that after the blow, Hezbollah has sustained from Israeli forces, and their patrons were liable to respond somewhere in the world through some act," he said.

Mr. Rabin, citing what he called Iran-backed "international infrastructures to carry out terrorist acts," called for a world effort to combat "this venomous snake and smash its skull."

In Beirut, the Arab daily Al Hayat said Tuesday that Herz

(Reuters, AFP, AP)

### Away From Politics

• The United States had 1.6 million active-duty military people as of March 31, including 291,000 stationed overseas and 190,000 on ships, the Defense Department said. The total included 563,555 army people, 486,228 navy, 435,041 air force and 174,871 Marines. Overseas forces included 154,331 in Europe, 45,415 in Japan and 36,921 in Korea. U.S. forces are being gradually cut to 1.4 million people.

• The Violence Policy Center says 1,908 women were killed by guns in the United States in 1992, but just 26 women used handguns to kill in self-defense. The Washington-based private center based the findings on unpublished FBI statistics for 1992.

• The son of Surgeon-General Joycelyn El-

## After Jupiter's Black Eye, an Earth-Sized Hangover

Compiled by Our Staff From Dispatches

WASHINGTON — Explosive jets from comet fragments have left Jupiter pockmarked with black scars, one of which is now the most prominent visual feature on the planet. More is coming:

three punches near the same location within a 20-hour period.

Astronomers said Tuesday that a dark black patch, resembling a black eye, left by the impact of comet fragment G has become the most easily seen mark on Jupiter in the 400-year history of observing the planet from Earth.

Lucy McFadden, a University of Maryland astronomer, said the impact mark is so large that amateurs using backyard telescopes under clear skies should be able to see it.

"That's something that has never happened before," said Steve Maran, a National Aeronautics and Space Administration astronomer. "Usually, only professionals or advanced ama-

teurs can see the details on Jupiter's face."

Mr. Maran said observers at the South Pole, where Jupiter is always visible this time of year, said an erupting fireball after fragment K collided was equal to the explosion on Monday of fragment G. Both fireballs, observed with infrared instruments, were nearly the size of Earth and the mark left behind by G is even larger.

"I'm sure we'll have a large spot from G also," said Mr. Maran.

Jupiter is the fourth brightest heavenly object to be seen from Earth. Only the sun, moon and Venus are brighter.

The black marks on the planet are the gaseous broths of chemicals and particles suspended in Jupiter's upper atmosphere after fireballs caused by the high-speed collisions of the comet pieces. Even though the visible sphere of Jupiter is all gas, experts said the impact scars may last for months.

Chemical composition of the black marks is still unknown, but Ms. McFadden said scientists have been puzzled to find no chemical signature for water in images taken with special filters. She said rock in the comet fragments is loaded with oxygen and Jupiter itself is about 74 percent hydrogen.

Since the impacts mix the two elements that make up water, scientists had expected to detect its presence.

"It may still be too hot at the impact sites for water to settle out," she said.

"It may rain eventually on Jupiter when it cools. We'd really like to see some regular H<sub>2</sub>O."

Jupiter's sphere was first observed in the 17th century, in the early days of the telescope. Galileo discovered the Jovian moons and later observers spotted the Great Red Spot, a permanent cyclonic feature of the planet. Later still, astronomers observed the bands of swirling gases that make up the visible face of the giant planet.

Since observing started, said Mr. Maran, the prominent features on Jupiter have remained relatively un-

changed until comet Shoemaker-Levy 9 started its bombardment last Saturday.

Fragment G has been the most powerful so far, but reports of the impact early Tuesday of fragment K suggest it, too, was very large.

Images taken by telescopes in California, Texas, Hawaii and Chile show a stepping-stone trail of marks or hot spots caused by the nine comet shards that hit by noon Tuesday. Four impacts are expected on Wednesday, including the start of a triple whammy in which three fragments will hit Jupiter 10 hours apart in virtually the same spot.

Fragment Q2 will be the first to hit, followed by fragment R 10 hours later. Fragment S will be 10 hours after that.

Since Jupiter rotates once every 10 hours, this puts the three at the same longitude. All 21 fragments in the comet train are hitting at the same latitude, or distance from the planet's equator.

The comet bombardment is expected to end Friday with the impact of fragment W. The letters do not strictly follow the alphabet. Some fragments disappeared, along with their letter. Others split apart and each piece also acquired a number, such as Q2.

The six-day series of collisions has linked astronomers around the world, many of them communicating via the U.S.-based computer network Internet to share their observations.

In Antarctica, where at this time of year the sun never rises and Jupiter never sets, the astronomer Hien Nguyen reported seeing impact sites of fragments A, C, E, G and H, with G being "the most spectacular so far."

Photographs taken by the orbiting Hubble Space Telescope showed three dark dots in a line in Jupiter's southern hemisphere representing the remains of fragments A, C and E.

(Reuters, AP)

### CIA's Chief Admits 'Grave' Errors in Handling Ames Case

By R. Jeffrey Smith  
*Washington Post Service*

WASHINGTON — The CIA made grave errors in handling Aldrich Hazen Ames, according to its director, R. James Woolsey, who called for overhauling the "attitudes, norms, and practices" that kept the agency from uncovering Mr. Ames's espionage for Moscow.

Mr. Woolsey denounced Mr. Ames as "a malignant betrayer of his country" and a "warped, murdering traitor" who led U.S. agents to their death because he "wanted a bigger house and a Jaguar."

CIA officials suggested before Mr. Woolsey's speech that it was designed to preempt what they feared was a forthcoming media blitz by Mr. Ames to criticize the agency. Mr. Ames was sentenced in April to life in prison without parole after pleading guilty to selling secrets to Moscow.

However, the director also said for the first time that his agency's failure to prevent or root out the betrayal over nearly a decade had stemmed from mismanagement and what he depicted as a defective Central Intelligence Agency "culture."

Mr. Woolsey disclosed, for example, that some colleagues had raised questions about Mr. Ames's suitability and performance before he was promoted to the counterintelligence post from which he betrayed vital U.S. secrets. The director said "these questions and concerns were not shared outside" the CIA's Latin American division.

where Mr. Ames had previously worked.

Mr. Woolsey also said he had concluded that appropriate investigative resources were not dedicated promptly in the Ames case at a critical juncture after suspicions of a Russian spy at the agency first arose in the mid-1980s.

Another senior intelligence official said Mr. Woolsey was referring to a three-year period from 1988 to 1991, "when this case, for a variety of reasons, lay fallow."

In remarks that paralleled what congressional critics have been saying for months about the CIA's handling of Mr. Ames and its investigation into the unexplained deaths of U.S. agents, Mr. Woolsey suggested that these and other mistakes may have kept CIA managers from stopping what would eventually become the most embarrassing counterintelligence failure in the agency's history.

There are elements in the culture of the CIA that must be changed, especially in the field of counterintelligence," Mr. Woolsey said in his 45-minute speech Monday at the Center for Strategic and International Studies here. Neither the Directorate of Operations where Mr. Ames worked, "nor for that matter any other part of the CIA can function as a fraternity, much less a white male one."

Quoting from a recently completed, classified study of the agency's operations that resulted from Mr. Ames's arrest, Mr. Woolsey said defects in the CIA's culture allowed personnel problems "to be passed along rather than dealt with."

The shortcomings also encouraged "a sense of trust and camaraderie" that made some employees act elated or arrogant, and graded CIA officers such as Mr. Ames according to the number of agents they recruited rather than the quality of intelligence they developed.

Mr. Woolsey said he was taking a series of immediate steps to reform the agency's operations.

In an interview with the Israeli Army radio about the explosion Monday in Buenos Aires, Prime Minister Yitzhak Rabin also referred to the 1992 attack.

"If we judge by the past, and I think we can do that, it is clear where the threads are leading," Mr. Rabin said.

"Moreover, in our assessment, there was concern that after the blow, Hezbollah has sustained from Israeli forces, and their patrons were liable to respond somewhere in the world through some act," he said.

Mr. Rabin, citing what he called Iran-backed "international infrastructures to carry out terrorist acts," called for a world effort to combat "this venomous snake and smash its skull."

In Beirut, the Arab daily Al Hayat said Tuesday that Herz

(Reuters, AFP, AP)

### AMERICAN TOPICS

#### Vaccines Are Sought To Protect Newborns

The federal government's National Institute of Allergy and Infectious Diseases will spend about \$8 million this year researching ways to immunize pregnant women against disease.

In other parts of the world, pregnant women are regularly immunized to protect their newborns against one major threat, tetanus. But pregnant women in the United States generally do not receive vaccines. Most have natural immunities against the major childhood diseases — such as diphtheria, measles, German measles, polio and tetanus — because they either had the disease or got vaccinations as children.

The mother passes on these antibodies to the fetus protecting the child in the first few months of life and minimizing the need for a prenatal vaccine, public health officials said. Two exceptions to this rule are Group B strep and Haemophilus influenza type b. Both are infectious and both can kill infants.

Health officials say there is also a potential for vaccinating pregnant women to protect infants against pertussis (whooping cough) and respiratory syncytial virus (RSV), a serious infection that tends to hit babies with heart disease or obstructed airways.

#### Short Takes

San Antonio, Texas, had 1,262 drive-by shootings last year. This inspired a contractor named Scott Shaheen to offer to make houses bullet-resistant for \$3,000 and up, depending on the size of the house. He will fortify front doors, walls and ceilings with a fiberglass-based material half an inch (1.3 centimeters) thick, cover the windows with special panels and offer tips for avoiding the line of fire. The protective panels are not visible from the outside; the window panels are visible when they are closed. Many companies offer bullet-resistant material for banks, ware-

houses and the like, but Mr. Shaheen is believed to be the first to offer it to householders.

Removal of tattoos once left unsightly scars. Then came the laser. Now skilled doctors like Steven B. Snyder of Owings Mills, Maryland, can make tattoos disappear with little or no trace. Dr. Snyder has removed the name of an ex-spouse from a woman's chest, the naked women from the arms of a man who was moving up in the world, and unwanted tattoos from hundreds

of other people "who haven't been to the beach in years," as The Washington Post puts it. Dr. Snyder charges \$200 per treatment, and removal of the average tattoo takes four to eight visits to his office.

Michael Moore, who lampooned General Motors Corp. in his 1989 film, "Roger and Me," has now taken on all of corporate America for a new show for NBC, "TV Nation." He tracks chief executives by asking them to demonstrate a knowledge of the products their companies make. So far, 60 have turned him down. The New York Times reports. Ralph Lauren didn't show up to him a shirt. Reuben Mark of Colgate-Palmolive declined to roll up his sleeves and demonstrate his dishwashing detergent. Jack Welch was too busy to screw in a General Electric light bulb. So far only Alex Trotman, chairman of the Ford Motor Co., has agreed to play along, changing the oil on a Ford Explorer for Mr. Moore's cameras.

(International Herald Tribune)

### Clinton Approach to Bank Chief Disclosed

By Keith Bradsher  
*New York Times Service*

WASHINGTON — President Bill Clinton asked the nation's top bank regulator last New Year's whether he could provide legal advice about the president's personal ties to a failed Arkansas savings and loan, according to an inter-agency memorandum written by the regulator.

The regulator, Eugene A. Ludwig, who is the comptroller of the currency, checked with Treasury Department and White House lawyers and told the president "it would be impermissible for me to discuss the matter with the president or the first lady," according to the memo.

The conversation

## China's Great Wall of Water

### Aqueduct Plan for Beijing Faces Resistance

By Patrick E. Tyler  
New York Times Service

DANJIANGKOU, China — One of the largest public works projects ever conceived — a plan to divert water from a huge reservoir here to Beijing, 1,400 kilometers to the north — has been proposed by China's Communist Party leadership to save the capital from perpetual drought in the next century.

Rivaling even the construction of the Great Wall, in the words of a government engineer, a huge aqueduct starting here in central China and running north to Beijing and Tianjin seems the only solution to maintaining China's capital as a center for industry, commerce and government.

But because the project would cost billions of dollars and would benefit a relatively small part of the Chinese population — less than 10 percent — it is certain to ignite debate among China's regional leaders, who are competing for scarce budget resources.

Provincial officials in the south complain, as China's president, Jiang Zemin, did recently, that Chinese cities waste billions of liters of water each year through poor conservation practices and leaky toilets. Conservation should be tried first, they say.

"If a country can send satellites and missiles into space, it should be able to dry up its toilets," Mr. Jiang complained last month, sending Communist Party cadres skittering to mount a nationwide campaign against makers of shoddy toilets.

During the late 1950s, 100,000 Chinese peasants, seized by the political fever of Mao Zedong's Great Leap Forward, muscled a mountain of stone to block one of the Yangtze River's largest tributaries here and build a dam that would control floods, generate electricity for China's modernization and irrigate the land for a new era of agriculture. For the glory of communism, and to catch up with the West, they abandoned their farms, lived in mud huts and ate starvation rations.

But the Great Leap's economic flaws instead brought famine to China, killing tens of millions and scaling back huge projects. The hills here remain denuded, stark evidence of the desperate years that followed.

The aqueduct project has rekindled the hopes of the local population that this dam, after it is raised 15 meters more to create a mighty new

reservoir to feed a northbound aqueduct, will finally fulfill the expectations of the ill-fated Great Leap.

The aqueduct's enormous flow, contained in its man-made channel, will have to cross 219 rivers and streams along its path, including the Yellow River. To accomplish this, Chinese engineers are prepared to dig either an eight-kilometer-long water tunnel under the Yellow River or erect over it an aqueduct supported by 160 giant pylons.

Details of the water project plan, conceived by Mao on a trip down the Yangtze River in 1958, are to be presented to the Chinese leadership in the spring. The project comes at a time when China is facing a huge bill for new building that is necessary to sustain its economic boom.

"Every province has its own very ambitious plans to build bridges and power plants and infrastructure, and they are all competing for national resources," said Fan Gang, an economist at the Chinese Academy of Social Sciences.

One Chinese official predicted real opposition when the water project was submitted to the National People's Congress, where party members can press regional claims against it.

"I think this project will be more politically complicated than the Three Gorges Dam," the economist said.

The Three Gorges project, a 20-year, \$10 billion undertaking, was approved after four years of contentious debate within the Communist Party leadership. It is the largest public works project in China today, designed to tame the Yangtze River while also generating electricity. But it has drawn opposition from environmental groups inside and outside China, because it will flood one of the most scenic river settings in the world.

The South-North Water Diversion project, as the aqueduct is formally known, would be the second-largest national construction project. It would require a six-year effort to expand the reservoir to roughly the same size as that of the planned Three Gorges reservoir.

The water crisis in northern China is also an indicator of how China's environment is struggling under the demands placed on it by 1.2 billion people, demands that can only grow.

China's population is expected to peak at 1.6 billion to 1.7 billion in the third decade of the next century.

## Jakarta Calls East Timor Actions Just

Reuters

DILI, East Timor — Indonesia rejected on Tuesday U.S. concerns about its handling of East Timor protests and pointed scorn on charges it was stoking religious repression in the tiny Roman Catholic enclave.

Speaking in Jakarta at his first news conference since a heart attack two months ago, Foreign Minister Ali Alatas said Indonesia handled last week's protest by Catholic youths with restraint.

"All the facts show that there was restraint, an appropriate response by police that tried to manage the demonstration," Mr. Alatas said. "No one was seriously hurt because all the time now riot gear is used. No shooting, nothing."

Indonesia, which is mostly Muslim, formally annexed the eastern half of Timor island on July 17, 1976. It commemorated the event Monday.

In Dili, capital of the former Portuguese colony, which was taken by force in 1975, the province's Catholic leader, Bishop Carlos Filipe Belo, and students said the protest last week was merely a reaction to continuing intimidation.

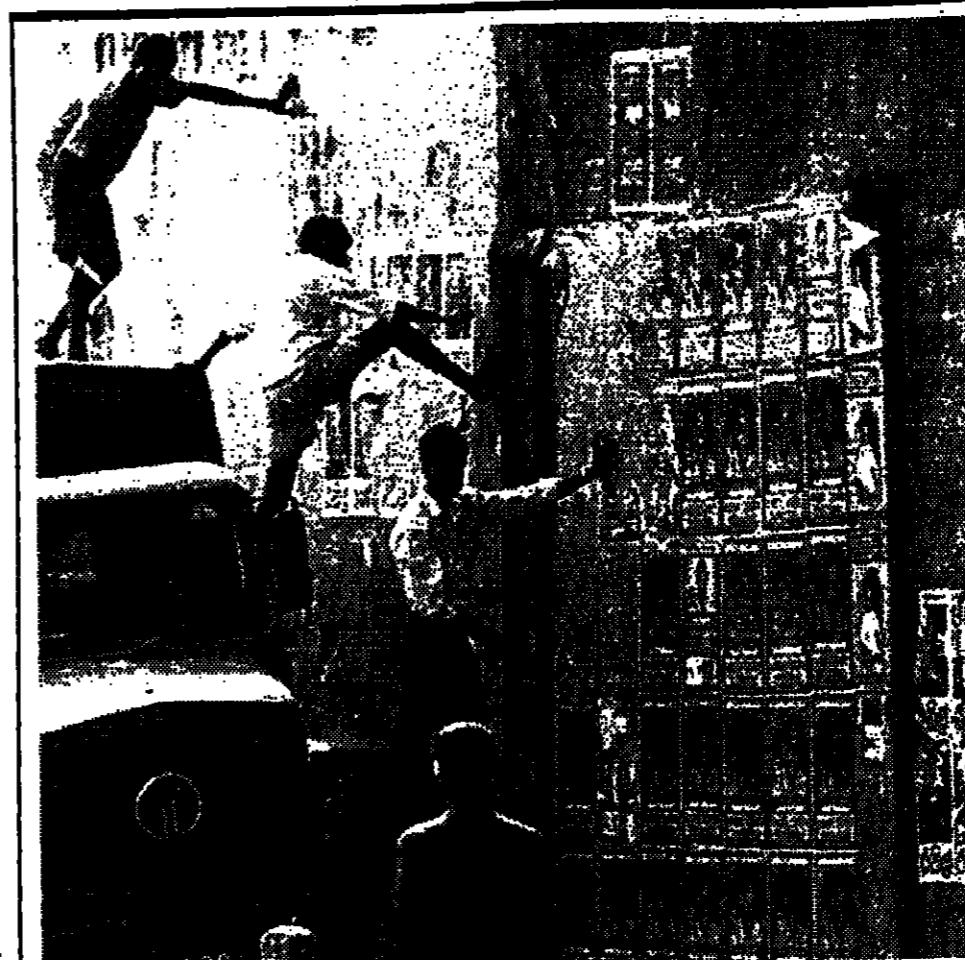
Residents have said police used tear gas and nightsticks to break up the march by students on the local Parliament in Dili. It started after four men insulted two Catholic nuns.

The United States, which had not received a full report on the incident yet, said it had expressed concern to Jakarta and urged local security forces to use restraint.

Residents said 14 people were detained and about 20 injured in the clash, the worst since troops gunned down up to 200 demonstrators at a Dili cemetery in late 1991.

An East Timor resistance leader said Tuesday that the Indonesian military was instigating religious violence across the country to deflect attention from corruption and pro-democracy issues.

"The latest acts of violence against the East Timor population are clearly linked to the rapidly deteriorating situation of Indonesia," said Jose Gusmao, Southeast Asia representative of the National Council of Maubere Resistance.



ELECTION CLEANING IN SRI LANKA — Plainclothes police in Colombo removing campaign posters Tuesday for Aug. 16 elections. The law prohibits posting.

## Writer Gets EU Offer of Protection

Reuters

BONN — The European Union has offered a haven to the feminist writer Taslima Nasrin, who is in hiding from a Bangladeshi government arrest warrant and Islamic fundamentalists' calls for her death. Foreign Minister Klaus Kinkel said Tuesday.

Mr. Kinkel, whose country currently holds the European Union presidency, said that EU foreign ministers agreed in Brussels on Monday to call on Dhaka to take all necessary measures to protect Ms. Nasrin and allow her to leave the country if she wished.

He said he had summoned Bangladesh's ambassador in Bonn to discuss Ms. Nasrin's plight and had instructed the German Embassy in Dhaka to involve itself in the case and issue a visa to Ms. Nasrin if she wanted to come here.

"Ms. Nasrin is welcome, in Germany naturally, but also in any other country of the European Union which she wishes to visit," Mr. Kinkel said.

## Burma Dissident Begins 6th Year of Arrest

Agence France-Presse

BANGKOK — Burma's leading dissident, Daw Aung San Suu Kyi, 49, begins a sixth year of house arrest in Rangoon on Tuesday amid signs from the ruling junta that it may be her last.

An encouraging sign came a week ago when Lieutenant General Khin Nyunt, a key junta member, said his government was willing to meet with her. She "is not an enemy," he said.

A living symbol of resistance to the military regime, the No-

bel Peace laureate and daughter of Burma's independence hero, Aung San Suu Kyi, has kept world attention focused on human rights in her country.

Until this year, her only visitors apart from junta representatives were her husband, the British academic Michael Aris, and their two teenage sons.

■ **SWeden Call for Release**

Foreign Minister Margaretha as Uggla of Sweden renewed calls Tuesday for Burma's leaders to release Daw Aung San Suu Kyi to mark the fifth anni-

versary of her house arrest, Agence France-Presse reported from Stockholm.

The minister called the detention indefensible, saying it violated all norms of international law.

The anniversary will be marked by a day of solidarity in at least 20 countries, according to Amnesty International.

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TODAY'S WEATHER — PARIS: Warm and partly cloudy. Temp. 25-31 (76-87). Tomorrow: Partly cloudy. Temp. 24-30 (75-85). LONDON: Partly cloudy. Temp. 21-24 (70-75). FRIDAY: Partly cloudy. Yesterday's temp. 24-28 (75-85). GENEVA: Moderate. ROME: Sunny. Temp. 26-32 (78-89). NEW YORK: Cloudy. Temp. 26-34 (78-93). Yesterday's temp. 27-34 (80-93).

ADDITIONAL WEATHER — PAGE 14

# INTERNATIONAL Herald Tribune

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PARIS, MONDAY, JULY 21, 1969

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# MAN ON MOON

## Two Astronauts Land Craft Safely, Prepare to Walk on Surface Today

By Al Rossiter Jr.

SPACE CENTER, Houston, July 20, 1969  
(UPI) — Man landed on the moon today.

Two pioneers from the planet Earth, American astronauts Neil A. Armstrong and Edwin E. Aldrin, flew their fragile spacecraft to a frightening but safe touchdown at 2017:40 GMT.

Soon after the landing, the astronauts recommended that they advance their walk on the lunar surface by five hours to start at 0104 GMT tomorrow. Ground control agreed.

Their landing realized the dreams of centuries. For the first time man actually rested on an alien world.

The lunar lander, called Eagle, balanced precariously on a jet of flame, settled with a gentle thump on the moon's Sea of Tranquillity, near the lunar equator.

It appeared to be a perfect descent—though it had never been done before.

The thrusting descent engine kicked up dust as the Eagle landing craft hovered briefly before dropping the final few feet to the surface.

"Very smooth touchdown," Col. Aldrin reported with cool calmness shortly after the landing. Mr. Armstrong exhaled himself from further reports, saying: "We're going to be busy for a moment."

Mr. Armstrong reported man's first landing on a planet other than his own with his voice barely raised from his normal, hoarse delivery.

"Contact light on. Engines off. The Eagle has landed," he said.

Thus began the culmination of centuries of man's dreams, eight years of fantastic effort and the expenditure of \$24 billion.

**'Quite a Lot of Rocks' at Site**

Mr. Armstrong made a quick description of the touch-down scene, saying there were "quite a lot of rocks and boulders" in sight. But ground control could not restrain its enthusiasm.

"Gee, that was one beautiful job," the mission controller called.

One of the most critical measurements was the space-craft's tilt on the surface—a greater tilt than 12 degrees would doom the astronauts since the ascent stage could not properly fire.

Ground control reported an angle of just over 4 degrees—well within take-off capability—and Mr. Armstrong confirmed that measurement.

Within seconds ground control was addressing Eagle as "tranquillity base." Mr. Armstrong found time to describe a bit of the descent.

He said the automatic guidance system was "taking us right into a football field size (area) of craters."

Mr. Armstrong said he took over control manually over the rock field "to find a reasonably smooth area."

**Other News****Kennedy Faces Charge After Fatal Accident**

A 20-year-old woman, a former secretary of the late Robert F. Kennedy, was killed early Sunday when a car driven by Sen. Edward M. Kennedy plunged off a bridge near Martha's Vineyard. It was reported that the senator, who was unharmed, would be charged with leaving the scene of an accident. The accident occurred shortly after midnight. Sen. Kennedy, who said he had walked around in "shock," reported it to police some eight hours later. Page 5.

**5 Egyptian Planes Reported Shot Down**

Five Egyptian and two Israeli planes were shot down over the Suez Canal today, an Israeli spokesman reported. Day-long fighting along the canal started after an Israeli raid on an Egyptian island fortress in the Gulf of Suez. Page 6.

**Nixon Plans to Outline New Welfare Policy**

President Nixon will outline a "dramatic new approach" to television broadcast Aug. 8, the White House announced. He will also discuss sharing of federal revenue with states and cities; revision of manpower training programs and reorganization of the Office of Economic Opportunity. Page 5.

**Wheeler Doubts Lull Means De-Escalation**

Gen. Earle G. Wheeler, chairman of the Joint Chiefs of Staff, said in Saigon that the lull in Vietnam fighting does not seem to mean de-escalation by the enemy. Before leaving Vietnam after an inspection tour, the general also denied that three North Vietnamese regiments had, as recently reported, been withdrawn across the Demilitarized Zone. Page 5.



This is the Apollo-11 primary landing site on the moon as seen from the hatch of the command module and telescop back to earth. At the time the craft was about 170 miles above the Sea of Tranquillity before going into its lunar orbit.

"It looks like a collection of just about every variety of shapes, angularities, granularities, just about every variety of rocks you can find," Col. Aldrin reported.

Col. Aldrin said there didn't seem to be much color, but he said some rocks in view "look as though they will have some interesting color to them."

Later, Mr. Armstrong gave man's first description of earth as seen from the surface of the moon:

"It's big and bright and beautiful," he said.

Mr. Armstrong reported the astronauts' first reaction to moon gravity—only one-sixth of that on earth—"is just like in an airplane." He said there was no difficulty in adapting to the lower gravity. "We seem used to it already."

Both he and Col. Aldrin sounded calm and unruffled by the first manned landing on the moon.

Ground control told them: "There are lots of smiling faces in this room, all over the world." Mr. Armstrong replied: "There are two of them here."

For several long minutes as the craft was descending the world seemed to stand still. The cool spacemen called out their final altitude figures as they dropped toward the lunar surface.

At 220 feet: "Coming down nicely."

At 75 feet: "Looking good."

At 30 feet: "Picking up some dust."

Then finally, at 2017:40 GMT: "Contact light on. Engine off. The Eagle has landed."

Nearly three hours after their touchdown on the moon, Col. Aldrin came on the air with a special message.

"This is the LM pilot," he said.

"I'd like to take this opportunity to ask every person listening in, whoever and wherever they may be, to pause for a moment and contemplate the events of the past few hours and to give thanks in his or her own way."

Mr. Armstrong told ground control: "We'll be able to begin EVA (moonwalk) preparations in a half-hour or so."

Meantime, at 2225 GMT, Mr. Armstrong and Col. Aldrin were eating their first meal on the moon.

With the decision made to skip the first on-the-moon rest period, the astronauts moved quickly into the difficult, sometimes laborious preparations for the moon walk.

One of these involved placing a filter over the valve which will vent oxygen to depressurize the Eagle. This is a decontamination device, designed to avoid polluting the moon's surface with any organisms the Eagle atmosphere may contain.

Then Mr. Armstrong and Col. Aldrin began to don their moonwalking back packs—about a 45-minute job, and a hard one.

Mr. Armstrong and Col. Aldrin were scheduled to spend about two and one-half hours on the moon's surface and then return to the lunar module for a rest period.

**No Change in Lift-Off Time**

Space agency officials said they did not expect the lift-off of the lunar module from the moon to be changed from 1755 GMT tomorrow. It will later link up with the command module carrying Col. Michael Collins in orbit around the moon.

At the time of the landing the moon was about 238,548 miles from earth.

Col. Collins was poised to swoop in and rescue his colleagues, had anything gone wrong. But now that they are on the lunar surface, they are beyond his reach.

"Out the window is a relatively level plain cratered with a thoroughly large number of craters of the 5-to-50-foot variety and some small 20-to-30-foot-high and literally thousands of one and two-foot craters around the area," Mr. Armstrong said.

"We see some angular blocks several hundred feet in front of us."

Ironically—after all the controversy over whether sending men rather than machines into space was worthwhile—Mr. Armstrong indicated that the mission might have ended in disaster without a man at Eagle's controls.

He said he had to "take over manually and fly it over the rock area" toward which the guidance system was pointing the craft. The automatic system was bringing them straight down into a crater, which was surrounded "for about one or two crater diameters" with jagged boulders.

Mr. Armstrong said he flew Eagle to a "relatively good area" and brought it down in a swirl of dust.

The rock samples the astronauts will collect is one of

(Continued on Page 2, Col. 6)

**Astronauts' Conversation****As Eagle Descends on Moon**

*I'd like to take this opportunity to ask every person listening in, whoever and wherever they may be, to pause for a moment and contemplate the events of the past few hours and to give thanks in his or her own way.*

Edwin A. Aldrin, from the lunar module Eagle on the moon's surface, July 20, 1969.

COLUMBIA: Eagle one minute to take. Take care.

EAGLE: See you later.

COLUMBIA: You've got a fine-looking flying machine there, Eagle, despite the fact you've got down.

EAGLE: Somebody's upside down.

EAGLE (1814 GMT): We're going right down U.S. 1, Mike.

EAGLE: \* \* \*

COLUMBIA: I just got some unexplained roll thruster activity. I might have bumped a hand control.

HOUSTON: Roger. We'll look at it.

APOOL CONTROL: This is Apollo control. We've had loss of signal now and the

**Nixon Leads U.S. in Prayer For Astronauts' Safe Return**

WASHINGTON, July 20 (UPI)—President Nixon today told the nation in prayers for a successful moon landing and safe return of the U.S. astronauts.

Today was Mr. Nixon's six-month anniversary in the White House, but he had to be reminded of it. He laughed when asked whether there was any

connection between the anniversary and the moon landing.

The highlight of the church service was the reading by Col. Frank A. Borman, the astronaut of the first ten verses of Genesis, the same passage recited publicly during the Apollo-11 mission he commanded circled the moon last Christmas Eve.

**10 Miles Above Surface****Red Craft Enters New Orbit Nearer Moon**

on Luna-15 since its launching one week ago, did not provide any information on the craft's mission or the reason for the orbital change.

The orbital change increased the probability that the Luna-15 might touch down on the moon to obtain soil samples, possibly while the Apollo-11 astronauts were carrying out their historic mission.

The Tass announcement of the change, which confirmed an earlier report from Britain's Jodrell Bank Observatory, said that the mysterious unnamed lunar orbiter eased into the new orbit at 5:16 a.m. (1416 GMT).

The brief announcement, only the fourth communiqué issued

to the data of the telemetric information, the systems and scientific equipment on board the station are functioning normally. The automatic station Luna-15 continues scientific exploration in near-moon outer space."

Luna-15 was launched from the Kazakhstan spaceport one week ago and entered its lunar orbit on Thursday. It held the same orbit for two days and then performed maneuvers that slightly altered its rotation path.

In Britain a spokesman for the Jodrell Bank Observatory said that there was only an "infinitesimal chance" that it might collide with the Apollo moonship.

COLUMBIA: Hello Eagle, we are standing by. Over.

EAGLE: Eagle, we see you on the steerable. Over.

EAGLE: Roger. Undocked.

HOUSTON: Roger. How does it look?

EAGLE: The Eagle has wings.

HOUSTON: Roger.

EAGLE: Looking good.

HOUSTON: Roger.

COLUMBIA: On my mark, 9:30 to ignition. Mark 9:30.

HOUSTON: You're looking good for separation. You are go for separation Columbia. Over.

COLUMBIA: Okay.

spacecraft Eagle has been given a go for descent orbit insertion . . . When next we acquire the lunar module it should be at an altitude of about 18 miles and on our way down to the low point of about 50,000 feet from where the power descent to the lunar surface will begin.

As the spacecraft went around the corner all systems on both vehicles looked very good . . .

HOUSTON: (1814 GMT): Eagle, Houston. You are go for D.O.I. (descent orbital insertion).

EAGLE: Roger. Go for D.O.I.

APOOL CONTROL (1806



## OPINION

**The July 20 Attack on Hitler Brightens a Dark Heritage**

By Gordon A. Craig

**M**ENLO PARK, California — A month before the attempt on Hitler's life in July 1944, the leaders of the military conspiracy were beset by intimations of failure and a feeling that they would almost certainly be misunderstood and rejected by the German people.

Major General Henning von Tresckow, however, refused to yield to this discouragement. In a meeting with his friend Claus von Stauffenberg, who was, a few weeks later, to place the bomb under the map table in Hitler's headquarters in Rastenburg, General

**1944 GERMANY 1994**

Tresckow said, "The attempt must succeed, come que culte. It is no longer a matter of its practicality, but a matter of demonstrating to the world and before history that the resistance movement dared the decisive gamble. Besides that everything else is a matter of indifference."

The bomb plot did not succeed in its immediate objective. Hitler survived to witness the deaths of all those who had planned and executed it, some of whom died in great agony, hanging from butchers' hooks in Plötzensee Prison in Berlin. But the demonstration that General Tresckow had insisted on was made, and if the shadow of Hitler still hangs over Germany, it is lightened by the memory of brave men and women who gave their lives to put an end to his cruelty.

In the 50th year after his sacrifice that memory seems brighter than ever. This year has already seen the publication of several new books about the resistance, including, most recently, one by the senior editor of the daily Frankfurter Allgemeine Zeitung, the

Hitler biographer J. C. Fest, and a tribute to her friends in the resistance by Marion Countess Dönhoff, one of the publishers of the Hamburg weekly *Die Zeit*.

Countess Dönhoff is highly critical of the Western governments for failing to acknowledge the existence of a German resistance and for refusing to assist it. She points out that in June 1942, Foreign Secretary Anthony Eden was incredulous when approached on the subject, taking the position that until Hitler's German enemies gave public proof of their feelings, by taking some positive action, they deserved no credence.

When Louis P. Lochner, the longtime Berlin bureau chief of The Associated Press, had tried earlier to convey a message from the resistance to Franklin Roosevelt, he was advised by the White House that this would be highly embarrassing to the president.

These incidents are perhaps more understandable than Countess Dönhoff is prepared to admit. Once the war had begun, the time was past when any Western leader was willing to appear to be treating with Germans of any description, and by the early '40s to do so would have flown in the face of the doctrine of unconditional surrender, declared at Casablanca, and was certain to inflame the suspicions of the Soviet government.

As for helping the resistance, the only possibility of that had been before war broke out.

If at the time of the Sudeten crisis in September 1938, the Western powers had let it be known that they would resist by force of arms any attempt by Hitler to carry out his aggres-

sive intentions against Czechoslovakia, they would have done a great deal to validate the German resistance movement. Had Hitler then tried to go to war, the generals could have put into effect the plan they had devised to arrest him, and it is possible that they would have received public support. Instead, Neville Chamberlain went to Berchtesgaden and then to Munich.

After the outbreak of hostilities, there was nothing practical that the Western powers, with their own backs to the wall, could have done. The resistance leaders were left to their own devices, which were scant. They could not think of trying to build a mass movement against the Nazis in a country under the control of the secret police, who ruthlessly stamped out any sign of oppositional activity.

They had to operate through individual groups of intellectuals, civil servants, Socialists, diplomats and soldiers, which were largely uncoordinated and rarely fully informed about what other groups were doing.

Countess Dönhoff tells us that General Tresckow and Hans Oster, leading figures in the military conspiracy, never saw or spoke to each other but communicated through intermediaries, and that she herself was on friendly terms with the ambassador Ulrich von Hassell and corresponded with him regularly but never knew that he was, like her, working for the same cause. Such secrecy was necessary, but it made for inefficiency and mistakes, and it is not surprising that, in the end, the attempt against Hitler's life was botched.

What would have happened if the bomb plot actually killed Hitler? One can only guess. If the conspirators had succeeded in winning control over the whole of the armed

forces and the state administration and had been able to immobilize the SS and the secret police — and this is by no means a foregone conclusion — they could have stopped the killing in the camps and saved millions of lives since most of the deaths there took place after September 1944.

There is little likelihood, however, that their action would have changed the nature of the peace imposed upon Germany by the Allies. The country would in all likelihood have been partitioned and occupied as it was after 1945. The only difference would have been that this would have been blamed by many Germans upon the resistance rather than upon Hitler.

In consequence, the nature of West German politics would probably have been markedly different than it turned out to be, and progress toward democracy much more problematic. Resistance leaders like General Ludwig Beck and Karl Friedrich Goerdeler were hopelessly old-fashioned in their political views and more inclined to monarchy than to democracy. Their contribution to postwar politics could only have been provocative and divisive. NeoNazism almost certainly would have become a strong political force, and communism a persistent one. In all probability, the forces that destroyed the Weimar Republic would have resurfaced.

But this is all speculation. What history tells us is that in July 1944 the forces of resistance to Hitler made their desperate gamble and lost, but that in doing so they redempted the past and built a bridge to the future.

The writer is professor emeritus of history at Stanford University. He contributed this comment to the International Herald Tribune.

**The Resistance Is Honored Rather Late in the Day**

By Donald Koblitz

**B**ERLIN — This Wednesday they will celebrate the attempted assassination of a German chancellor. The celebrants are not the Red Army Faction or Middle East terrorists but the entire German political establishment, and they will be honoring the 50th anniversary of the attempted assassination of Chancellor Adolf Hitler on July 20, 1944.

It may seem ironic that a failed attempt at high treason by a group of reactionary German aristocrats is a

**MEANWHILE**

significant thread holding together the dignity of a proud nation. But the Germans want more than a positive economic balance sheet and a monotonous string of democratic elections. They need a history to be proud of.

The 1944 plot was doomed by Colonel Claus von Stauffenberg's failure to kill the Führer, his fellow conspirators' lack of ardor in rounding up Gestapo and pro-Nazi officers, and the equivocation of key Wehrmacht generals.

Colonel Stauffenberg was quickly executed, along with half a dozen fellow conspirators. Other men lived to be humiliated at show trials before the infamous Volksgerichtshof, the People's Court, and then were strung up with piano wire and filmed in their death agonies for the Führer's pleasure. Hitler's most effective general, Erwin Rommel, was forced to take poison.

Had Colonel Stauffenberg's little band succeeded, they would have changed history. Countless lives would have been spared. The Soviets would not have occupied all of Eastern Europe. The British Empire might have survived a while longer.

The count, like most of his fellow conspirators, was a conservative officer from the Prussian aristocracy who came later to the German opposition. Only when the army could see the tide of war turning, after the catastrophe at Stalingrad, where more than 145,000 German soldiers lost their lives, did a serious opposition to Hitler emerge.

These men had not been enraged by the seizure of Poland and Czechoslovakia or the extermination of European Jews. During the war, there was precious little German resistance to the Nazi dictatorship.

The late Chancellor Willy Brandt endured endless sniping during his postwar political career because he "turned his back on the Fatherland" and joined the anti-Nazi resistance in Norway.

Dietrich Bonhoeffer, a pastor who traded places with a condemned man in an Nazi concentration camp, and whose letters from his death cell are among the most compelling literature in the German language, is surely more worthy of admiration than the career officers who failed to kill their commander in chief.

Yet more than any other act in the 20th century, this failed assassination has saved a vestige of honor for the German people. It has allowed them to celebrate their freedom from Nazism and to regret that it took millions of Allied troops to do what Colonel Stauffenberg almost pulled off.

Today the German people can say, "we too have our martyrs to freedom."

Naturally, celebrating the conspira-

cacy would have made even more sense in the years after the war, when the events were painfully fresh. There was a turning point in 1952 when a Nazi apologist, General Otto Ernst Remer, was convicted of slander for calling Colonel Stauffenberg and his cohorts "traitors." The case had been brought by several co-conspirators who had escaped the Nazi purge. A German court sentenced Remer to three months in prison, referred to the bomb plotters as "heroes" and declared that the Hitler regime had been an "illegal state."

Colonel Stauffenberg's rehabilitation has continued apace ever since.

The wives and children of the martyred conspirators were ignored after the war and many suffered serious deprivation during Germany's economic miracle in the 1950s, although the Remer verdict made it possible for some of the widows to receive military pensions.

Like so much else in modern Germany, the line down the center of the country, which still exists despite the disappearance of the wall, the machine guns and the barbed wire, also separates two traditions of memorializing the German resistance.

In the former East Germany, it was the Communist underground, with imprisoned resistance fighters such as Erich Honecker, who were celebrated for their struggle against Nazi Germany. It is no longer acceptable, after the fall of the German Democratic Republic, to remember the Communists as martyrs.

Their place has been taken by two college students, the "Geschwister Scholl" ("brother and sister Scholl"), who organized a small group of students to distribute anti-regime literature and were beheaded by the Nazis.

In Germany, they celebrate anniversaries like a small shopkeeper anxious for additional trade.

In the past few years, they have noted the half-century mark of the Nuremberg race laws, the invasion of Poland and the uprising and destruction of the Warsaw Ghetto.

This relentless grinding through the greatest sins of the 20th century is slowly reaching its natural climax.

Wednesday's anniversary is the only one of these painful memorials in which the German people can identify with the heroes and victims of the hour. Perhaps letting them have their martyrs is not too much to ask. But it is a shame that the German establishment couldn't resist politicizing the event.

The German presidency is a largely ceremonial office, which was elevated to a new level of moral authority by Richard von Weizsäcker through eloquent speeches on precisely such occasions — most memorably in 1985, on the 40th anniversary of the end of the war.

It would have been natural for the new president, Roman Herzog, to have gotten his baptism of fire on this occasion.

But Chancellor Helmut Kohl, four months away from a national election, brushed aside his party colleague and insisted that he and he alone speak on this sacred day.

It's hard to build legends with parochial politics.

The writer, a lawyer, was a State Department legal adviser in Berlin from 1985 to 1989. He contributed this comment to The New York Times.

**LETTERS TO THE EDITOR****Rushdie and Nasrin**

*Regarding the editorial "Murder Is Murder" and "Dear Taslima, It Is Not You Who Has Done Wrong" (Opinion, July 15) by Salman Rushdie:*

The writings of Taslima Nasrin of Bangladesh, like those of Salman Rushdie, are the product of poor taste. But, of course, the controversy has little to do with taste and even less to do with accountability, sensitivity or sensitivity. At issue is freedom of expression.

In Britain, the government has condemned the call by Iranian religious leaders for Mr. Rushdie's death and protested the intended infringement of its sovereignty. In Bangladesh, the government has stopped short of bringing criminal charges against those who pose a threat to Ms. Nasrin's life. Democracy's three pillars — a free press, the rule of law and respect for human rights — are as yet too frail in Bangladesh to withstand the test of debate and dissent.

Islam is not at issue nor, for that matter, is secularism. Islam is generally taught very badly and often quite harshly in Bangladesh and South Asia as a whole. Why else do we have no Nasrins and Rushdies? And how else to explain the secularism they profess with such eloquence and avidity except to escape the man-made fanatical face of a beautiful faith?

The obvious common ground between the two, as manifested in their writings, is a shared hatred of the mullahs and a distorted vision of Islam. In a sense, both are "Midnight Children," rootless products of our time, whose outrageous blasphemies drew applause and anger, respectively, among two still deeply divided cultures.

Like Mr. Rushdie, Ms. Nasrin finally succeeded in offending the community to which she belongs. But

no one ought to deny her or anyone else freedom of expression.

A. R. SHAMSUD DOHA  
London.

The writer is a former foreign minister of Bangladesh.

The diplomatic démarche by the Bangladeshi ambassador to the United States, Humayun Kabir, justifying the threat to murder the author Taslima Nasrin, who is in hiding after fundamentalists. Islamic clerics offered a reward for her death, is even more obscene than the statement of the Egyptian cleric, Sheikh Mohammed Ghazali, who said that "a secularist represents a danger to society and the nation, and hence it is the duty of the government to kill him." He was testifying for the defense of the Islamic militants, who had gunned down Farag Foda, one of Egypt's best-known authors.

Taslima Nasrin is not just a "female Salman Rushdie," but one of a growing list of authors targeted for death by religious fundamentalists all over the world. In Algeria, Mohammed Bouakobza, a sociologist, was killed by a group of Muslims who burst into his home, tied him up and slit his throat in front of his young daughter. Farooq Sajid, a Pakistani doctor and devout Muslim in the town of Gujranwala, was murdered because he had slipped over a stove and accidentally burned a page of the Koran.

No pretensions of "Third World cultural identity" can justify such glaring human rights violations. And let us not forget that whether they be Muslim, Christian, Hebrew, Hindu, Sikh or Buddhist, there are religious fundamentalists everywhere.

MADANJEET SINGH  
Paris.

The writer is a former ambassador of India, most recently to Finland.

In its July 15 editorial, The Washington Post comments that "Bangladesh, with its female prime minister, has generally been viewed as having ... a moderate government." This comes as a surprise to those of us who follow Bangladeshi politics in its civilian and military incarnations.

From independence on, the Bangladeshi government and government-backed vigilantes have carried out military attacks against the non-Islamic minorities of the Chittagong Hill Tracts. Buddhist temples have been deliberately burned and monks targeted. A large number of people from the Hill Tracts have had to flee to northeast India, where they lead a fragile existence in camps. The land left vacant is then filled with landless farmers from the Bangladeshi plains. Weapons are given out indiscriminately to the new settlers, some of whom have terrorized the indigenous population. Efforts are made to convert the Hill Tracts people to Islam.

Now Saudi money is reputedly being used in the plains to hire unemployed people to attack Taslima Nasrin. The current Bangladeshi government is weak and unwilling to act for fear of losing Arab revenue. But weakness is not moderation.

RENE WADLOW  
Geneva.

**No Freedom by Force**

*Regarding "Haiti: Cautionary Lessons From an Earlier Invasion" (Opinion, July 12) by Hugh de Santis and Kenneth J. Dillon:*

To add one thought to this excellent historical review: You can force a free election on some military governments, but you cannot make them accept the result unless you have at least equal military power to enforce them.

As many pseudo-democracies in all parts of the world show, you

cannot implant a Western concept of democracy and majority rule from the outside. Each people must grow its own style of government in situ for it to take root. If the United States wanted to support "freely elected" majorities in all parts of the world, it would have to send troops to Rwanda and fight for the Hutus.

RAINER ESSLER  
Avignon, France.

**A UNESCO Prize**

*Regarding "Rabin and Arafat Move to Widen Autonomy" (July 7):*

The "United Nations peace prize" mentioned in the article is a UNESCO peace prize. The Félix Houphouët-Boigny Peace Prize was created in 1989 at the initiative of 120 member-states. It is awarded each year to individuals, institutions or associations which have contributed to the promotion, research, safeguarding or maintenance of peace in the world, as well as the defense of human rights and freedoms.

ELKE SALAS C. ROSENBAKH  
Office of Public Information  
UNESCO, Paris.

**Bosnia: A Longer View**

Roger Cohen, reporting on the proposed Bosnian settlement, implies that it would be immoral to allow the Bosnian Serbs to retain control of "several towns with majority Muslim populations before the war" (*Map of Bosnia: Moral Bridge Is Abandoned*, July 7).

Many of these towns, however, once had majority Serb populations. The Serbs became a minority only when, during World War II, the Croat Ustase and their Muslim allies brutally exterminated 700,000 Serbian civilians in the Nazi-backed independent state of Croatia (which incorporated most of Bosnia).

The article recalls the expulsion of Muslims from Serbian territory but

ignores the expulsion of thousands of Serbs from areas controlled by Croats and Muslims. For example, the 24,000 Serbs of Mostar were driven out or killed by Croats and Muslims in 1992. To suggest that Bosnian Muslims have a moral claim to territory while ignoring legitimate Bosnian Serb claims is unfair.

NEVEN LEZAIC  
London.

**To Air Is Inhuman**

*Regarding the report "What Makes America Great? Not What You Think" (June 17):*

This article overlooked the vicious circle induced by the "great comforter": More air conditioning = more people; more people = more tree and foliage loss to asphalt for shopping malls and highways; more asphalt = more heat released into the atmosphere; more heat = more air conditioning required.

AIR CONDITIONING MAKES AMERICA GREAT? I think not.

FRITZ WULF  
Sindelfingen, Germany.

**After three weeks in the States last May, I flew back to Europe to spend a week in bed with something close to pneumonia, caused by the ubiquitous icy blasts in restaurants, museums, theaters ... Next time I'll borrow a fur-lined parka before going.**

LEONORA SOLE-LORIS  
Rome.

**Not the Way to Arrive Alive**

*Regarding "France Tightens Drunk-Driving Law" (July 1):*

So a French minister has called for drivers to limit their drinking before driving to "an aperitif and a half bottle of wine with each meal?" Question: Does this recommendation include breakfast?

# Aix Combats Adversity With an Exquisite 'Zauberflöte'

By John Rockwell  
New York Times Service

**A**IX-EN-PROVENCE, France — As recently as 1989 the Aix festival, the best and most prestigious French summer music festival since its founding in 1948, presented five opera productions. That figure had fallen to three by 1993, and when a new production of Mozart's "Die Zauberflöte" opened this year's installment, the festival was down to one opera, to be given eight times in a two-week period.

But the festival, in what Le Monde has called "one of the most troubling periods in its history," remains devoted to high artistic achievement. Louis Erlo, the director, has managed a "Zauberflöte" that not only surpasses the Handel "Orlando" and Weber "Euryanthe" of last summer, but recalls the Aix's glorious past as a Mozart center and stakes a bold claim for quality

over compromise in the face of adversity.

The festival's troubles are both complex and painfully simple. They amount to a lack of money — from the city, the region, the department, private sponsors, the box office and, above all, the state. France is still in recession, and this region in particular is hurting. In addition, the price of producing operas is up from what it was just a few years ago.

But given the economic realities, no one in authority has been able to suggest a solution, apart from attrition. As Erlo put it in an interview Saturday, "The responsible authorities haven't made the necessary decisions that would determine the existence or nonexistence of the festival. If it is to exist, they have to adopt the proper financial measures, to give us a chance for long-term planning. If they can't provide the funds, then they should have the courage to say that we can't continue. Nobody is taking the lead."

To add to the festival's woes, its temporary stage structure collapsed in mid-May, necessitating costly repairs, which will be largely covered by insurance. A deeper problem is that Aix is no longer without competition, as it virtually was in its first heyday in the 1950s.

In the face of these challenges, Erlo decided to flesh out his schedule with more concerts and recitals, many of them most promising on paper, and to make his sole operatic production as refined and intelligent as he could; no pandering to the Three Tenors crowd here.

The production reunites two of Aix's recent mainstays, the conductor William Christie with his Arts Florissants ensemble and the Canadian stage director Robert Carsen. Both distinguished themselves in ways both satisfying and surprising.

Christie, known as the premier interpreter of the French Baroque, has not heretofore had much to say about Mozart,

but this production finds him full of lively opinions on that subject.

Perhaps responding to the bass-shy acoustics of the outdoor theater, he has chosen light textures and generally fleet tempos. Sometimes one missed the timbral richness and ritual weight of the Masonic scenes, although another theater acoustic might redress those concerns.

What distinguishes Christie's "Zauberflöte," is its sinuous flexibility. He cuts around this music as he does around that of Lully and Charpentier, rejecting the blunt style that has characterized so much Mozart performance in our modernist century. In addition, he has encouraged all manner of appoggiaturas and complex vocal ornamentation, including sometimes elaborate cadenzas.

And he has a first-class cast, including Rosa Mannion as Pamina, Hans Peter Blochwitz as Tamino, Steven Cole as Monostatos, Reinhard Hagen as Sarastro and a

by now very wobbly but still gravely authoritative Theo Adam as the Speaker.

The most impressive, however, were Anton Schäring, whose folksy Papageno is known worldwide but with no loss of freshness, and Nathalie Dessay as the Queen of the Night. Dessay seemed a little lacking in vengeful intensity, but she sang the notes with unusual fullness, sweetness, and accuracy, and that provided ample rewards by itself.

**H**ER uncommon gentleness of stage personality fitted Carsen's conception, which was abetted by simple but affecting decor from the English designer Patrick Kinmonth. Scholars have squabbled for two centuries over Mozart's supposed mid-course reversal of moral poles, whereby the seemingly sympathetic Queen of the Night turns villainous and the evil Sarastro, who abducted her daughter, becomes the paragon of enlightened virtue.

In a stunning opening of the second act, Sarastro and the Queen together (who may well be Pamina's parents) to test Tamino, Papageno and Pamina. In the end everyone, of every class and sex and race, is inducted into the cult of wisdom. And then all the singers remove their crowns and robes and sing straight to the audience, in a joyous vision of communalism.

The entire production was managed so ingeniously and sensitively, and was so exquisitely played and sung, that it did honor both to Mozart and to this troubled festival.

## LONDON THEATER

### Ariel Dominates a Quirky 'Tempest'

By Sheridan Morley  
International Herald Tribune

**L**ONDON — Not often do you get "The Tempest" starring Ariel rather than Prospero, though this is the risk run by Sam Mendes's magical revival newly arrived for the RSC at the Barbican from Stratford.

Alec McCowen, rejoining the company after almost 30 years to continue the Robert Stephens/John Wood policy of bringing back the old giants to show the new generation a thing or two about Shakespeare, offers an oddly muted, schoolmastery wizard who spends much of his time on the island up a ladder, watching over the rest of the cast from a safe distance.

Simon Russell Beale's Ariel, on the other hand, is everywhere. A portly dictator in a pair of Chairman Mao's pyjamas, he roams the stage in an increasing fury at Prospero's constant delaying tactics to the promise of his freedom. This is no camp fairy, darting about to do Prospero's bidding, but a serious rival for authority who might himself, given luck and a fair wind, have ended up as Duke of Milan.

And Ariel is by no means the only figure drastically reconsidered here. David Bradley's Trinculo has become an end-of-the-pier ventriloquist, forever allowing his dummy to respond to the ill that are heaped upon him. Even David Troughton's Caliban is a rethink, no longer half animal but instead a shaven-headed refugee from a Hollywood prison camp. This is, in short, a distinctly quirky production in which every individual



John Gordon Sinclair and Ruthie Henshall in a scene from "She Loves Me."

ideal makes sense but the whole is somehow less than its parts. One of its central themes is certainly theatricality. Ariel opens the proceedings by springing out of a ship, and each of the shipwrecked groups arrives like a band of traveling players to explore their new environment. But having abdicated the driving forces of rage and revenge for a kind of melancholy irony, McCowen finds it hard to exert real authority over this band of exiled misfits and the result is a "Tempest" with no real eye of the storm. Its star is still one of the most

thoughtful and charismatic of Shakespearians, an actor who now takes up the mantle of Scofield; but, unlike Scofield, he rejects the easy routes to stage center. He has not been helped by Mendes's decision to strand him so far upstream for much of the action.

Given that we have had at least half a dozen "Tempests" in London in the last two years, it is hardly surprising that Mendes should be casting around (at times so feverishly) for new concepts or fresh insights, and his notions of magical theatricality often work well enough on their own terms. But

the losers here are the wrongful Duke of Milan and his shipwrecked band. Nowhere for them is home, because we have been given no real sense that Prospero wants his old Italian kingdom back.

In the history of great Broadway musicals, "She Loves Me" (Savoy) has always been something of an oddity. It score by Jerry Bock and Sheldon Harnick dates from 1963, the year before they wrote the infinitely more successful "Fiddler on the Roof." Although it then only achieved brief runs on either side of the Atlantic, it acquired sufficient nostalgia status to

justify a triumphant New York revival last year.

Its origins are equally unusual. A Hungarian play by Miklos Laszlo managed to become two Hollywood movies — "The Shop Around the Corner" (James Stewart and Margaret Sullavan, 1940) and "In the Good Old Summertime" (Van Johnson and Judy Garland, 1949). So now we have an all-British cast playing an American musical set in 1934 Budapest, and what's more making it work against the odds.

Those odds are high. Virtually any song in the show can be taken out, put back in somewhere else or dropped entirely. Comparisons of the present score with the 1963 New York and London originals show tremendous changes, although the plot remains virtually intact.

The central conceit is of two shop assistants (the hugely winning John Gordon Sinclair and the Ruthie Henshall, who looks set to become Elaine Paige's only true rival among home-grown West End musical stars) who write love letters to each other anonymously. However, what really makes "She Loves Me" work are its many subplots. As he was to do still more triumphantly with "Cabaret" three years later, Joe Masteroff has taken almost a dozen characters and given each of them a separate biography as well as a reason to sing about it.

"She Loves Me" is thus a company show of wondrous lyrical delight: no special effects, no spectacular scenery, just the return to a lost world of style, charm and happy endings.

### Fallout of 'Filmfest Scam' Shakes Manila

By William Branigan  
Washington Post Service

**M**ANILA — The First Lady was mortified. A terrorist hit squad threatened retribution. And now political commentators are rewriting scenarios for future elections.

Nearly a month after the rigging of a film festival awards ceremony, the scandal continues to reverberate. The "filmfest scam," as the affair has been dubbed, has burgeoned here into the pretrial-publicity equivalent of the O.J. Simpson case and spurred local pundits into paroxysms of self-abuse.

"Are we a nation of cheaters?" asked an editorial in a leading newspaper. "Are we a dishonest, lying, cheating people?"

The scandal "shattered dreams, punctured illusions, transformed heroes and heroines into heels, grandees into gimpins, role models into hooligans," effused a former presidential press secretary, Teodoro Benigno. "It showed, as

nothing else could show, the moral rot and depravity in our society."

Well, maybe. But the public outrage over the scam also showed that ordinary Filipinos are fed up with cheating. The films of the accused movie stars and managers, the so-called Filmfest Seven, have been banned in various cities, and Philippine movies generally have been taking a beating at the box office.

"Crowds which used to ooh and aah whenever an actress or actor stalked by now turn up their noses," said a publisher and columnist, Max V. Soliven.

The affair has overshadowed a controversy over a new value-added tax, diverted attention from a major speech by President Fidel V. Ramos. And Ramos's wife, Amelia, complained that the "shameful and unfortunate" fiasco had embarrassed her during a recent two-week trip to Europe to promote tourism and investment here.

Even the Alex Boncayao Brigade, an urban assassination squad of the Communist rebel movement, threatened to

mark the Filmfest Seven for "people's revolutionary justice" — meaning curtains — if they did not draw prison terms.

And political analysts say the scam may help stop a trend toward electing movie stars, comedians, basketball players and other celebrities to public office.

The scandal started when Ruffa Gutierrez, 20, a beauty queen who finished third in the Miss World pageant last year, and Nanette Medved, a young actress, jointly announced the name of Gabby Concepcion as the winner of the trophy for best actor at the June 22 Manila Film Festival awards ceremony. The announcement baffled the judges and an accounting firm that had tabulated their votes, since Concepcion, Rufa's co-star in a local knockoff of the Lorena Bobbit story, had actually come in a distant third.

But before anyone could intervene, the nationally televised show went on with the announcement of the best-actress winner by a trio of presenters: actress Gretchen Barretto, Rocky Gutierrez, 17, (Ruffa's brother) and Viveka Babjee, 20, an aspiring starlet who had represented Mauritius in the Miss Universe beauty pageant here in May. As Barretto started to read the result from an official letter, Babjee, a house guest of the Gutierrez family, shouted, "Ruffa Gutierrez!" and whispered to Rocky, "Take it, take it." He then pocketed the paper, and his sister received the trophy.

Informed by the accounting firm that the wrong winners had been announced, Mayor Alfredo Lim of Manila called the audience back, denounced the "hoax" and proclaimed the rightful awardees as Edu Manzano for best actor and Aiko Melendez for best actress.

The Filmfest Seven — Ruffa, brother Rocky, mother-manager Anabelle Rama, Concepcion, Medved, Lolita Solis, Concepcion's manager, and Babjee — have been charged with fraud, deceit, grave scandal and obstruction of justice, which carry jail terms of four months to six years. Immigration authorities also began looking into the residency status of Medved and Concepcion, who are said to be U.S. citizens.

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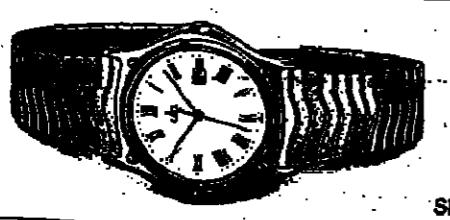
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SPORT

# BUSINESS

International Herald Tribune, Wednesday, July 20, 1994

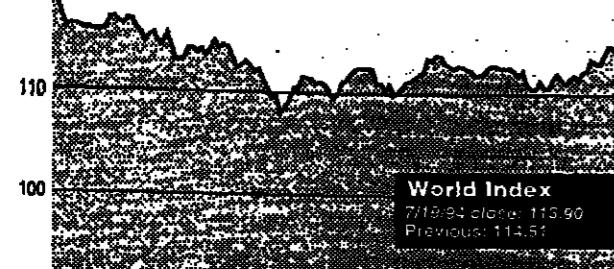
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Page 11

**THE TRIB INDEX: 113.90**

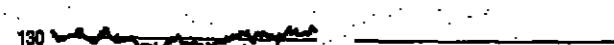
International Herald Tribune World Stock Index, composed of 260 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.

120



	F	M	A	M	J	J
1993	113.90	113.90	113.90	113.90	113.90	113.90
Close	113.90	113.90	113.90	113.90	113.90	113.90
Prev.	114.51	114.51	114.51	114.51	114.51	114.51
Asia/Pacific						
Approx. weighting: 32%						
Close: 133.40 Prev: 134.18						
Europe						
Approx. weighting: 37%						
Close: 115.05 Prev: 115.37						

150



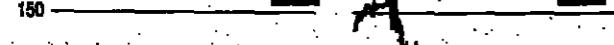
	F	M	A	M	J	J
1993	133.40	133.40	133.40	133.40	133.40	133.40
Close	133.40	133.40	133.40	133.40	133.40	133.40
Prev.	134.18	134.18	134.18	134.18	134.18	134.18
North America						
Approx. weighting: 25%						
Close: 93.07 Prev: 93.12						
Latin America						
Approx. weighting: 5%						
Close: 114.45 Prev: 117.48						

150



	F	M	A	M	J	J
1993	93.07	93.07	93.07	93.07	93.07	93.07
Close	93.07	93.07	93.07	93.07	93.07	93.07
Prev.	93.12	93.12	93.12	93.12	93.12	93.12
World Index						

150



	F	M	A	M	J	J
1993	93.12	93.12	93.12	93.12	93.12	93.12
Close	93.12	93.12	93.12	93.12	93.12	93.12
Prev.	93.12	93.12	93.12	93.12	93.12	93.12
World Index						

150

The Index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Amsterdam, Australia, Belgium, Canada, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the Index is composed of the 20 top issues in terms of market capitalization, otherwise the top 20 stocks are tracked.

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MEDIA MARKETS

**Li Calls Back in Britain**By Erik Ipsen  
International Herald Tribune

NEW YORK — Despite rising interest rates, many major U.S. banks on Tuesday reported increased second-quarter profits as they lent money in an expanding economy. The big New York banks reported strong profits despite declines in trading revenue.

"Plain-vanilla banking is doing reasonably well, and when you get out of New York strong loan demand is pushing up profits where the economy is growing, especially in the

Southeast and Midwest," Robert Soifer, bank analyst at Brown Brothers Harriman &amp; Co., said this week's quarterly bank results.

The nationwide credit crunch appears to be over, and banks are bidding eagerly to make loans. But this means they also are competing to keep loan rates down as the Federal Reserve Board raises the cost of funds.

The New York money center banks, which are increasingly dependent on fees, increased profits in part by cleaning up

their balance sheets, especially thanks to refinancing Brazil's huge government debt with new bonds.

A major beneficiary of this was Citicorp, which reported net income of \$877 million for the second quarter, almost double last year's second-quarter profit of \$446 million. The country's largest and most international bank used part of the money to lift loan-loss reserves by \$400 million and slash its commercial nonperforming assets by a huge \$1.3 billion, to \$3.4 billion, most of which now is in bad U.S. real estate.

John Reed, the president of Citicorp, said the bank's "core business is solid" and earned roughly what it did in the first quarter. But quarterly trading revenue dropped to \$159 million from last year's \$572 million, although still improved from the first quarter's dismal \$71 million.

Chemical Banking Corp., the third-largest bank in the country and one of the New York banks most dependent on regional banking, increased quarterly net income by \$20 million from last year, to \$327 million, mainly from an improving loan busi-

ness. Its trading revenue fell to \$203 million in the second quarter from \$298 million in the comparable year-ago period.

Outside New York, Mellon Bank Corp., in Pittsburgh, increased its quarterly income to \$134 million from \$99 million, despite an \$85 million charge for its acquisition of Dreyfus Corp. to get into mutual funds. PNC Bank Corp., also of Pittsburgh, increased net income to \$183 million from \$169 million, while Banc One Corp., of Columbus, Ohio, increased net income to \$316 million from \$282 million.

Sprint Reports Higher Profit

Bloomberg Business News

KANSAS CITY, Missouri — Sprint Corp. said its second-quarter profit rose 33 percent, paced by record operating income in its long-distance and cellular telephone operations.

Sprint posted second-quarter profit of \$220 million, or 63 cents a share, compared with \$165 million, or 48 cents a share, in last year's second quarter.

Revenue rose 12 percent, to \$3.15 billion.

MEDIA MARKETS

**Li Calls Back in Britain**By Erik Ipsen  
International Herald Tribune

LONDON — Fresh from one of the most costly disasters in the history of British telecommunications, Hutchison Telecom U.K. is doubling its bets. Six months after it pulled the plug on its £150 million (\$234 million) foray into the British mobile-phone market, Hutchison, a unit of Li Ka-shing's Hong Kong-based conglomerate Hutchison Whampoa Ltd., has a new horse to ride — a digital mobile-phone network known as Orange.

Skeptics abound. "The view in the market here is that they screwed up once in Britain, and will do it again, only on a much bigger scale," said Mark Simpson, an analyst for Baring Securities in Hong Kong.

By the time the Hutchinson's Orange system is completed in late 1995, it will have cost its three owners an estimated £700 million. The lion's share of that bill will fall to Hutchinson, which holds 65 percent of Orange. British Aerospace PLC has a 30 percent stake and Barclays Bank PLC has 5 percent.

Hutchison's first venture into the British phone market was a system called Rabbit, billed as the poor man's mobile phone. The problem was that its service matched its rock-bottom price. The phones, which could not receive calls and could make calls only within 100 yards of its all-too-few base stations, never found a market.

This time around, though, Hutchinson insists it is backing a winner. Colin Tucker, the company's director of operations, said that Orange, which was officially launched in late April, was running "significantly ahead" of

its business plan in terms of number of subscribers as well as volume of calls.

Hutchison's hope is that Orange's eventual success will enable the company to establish both a track record and an expertise that they can take into other markets.

"This is our jumping-off point for all of Europe," Mr. Tucker said. Hutchinson already owns the largest mobile-phone network in Hong Kong and operates paging systems in Australia, Thailand and Malaysia plus mobile-phone service companies in Germany and France.

For Mr. Li, the question most often asked is why he has come so far to spend so much — especially when so many European companies are failing all over themselves to invest in the booming markets of China and much of the rest of Asia. In reply, company executives shrug and point out that when the decision to proceed with Orange was made three years ago, Britain was still the only market to have thrown open its doors to free competition.

Others however, have also responded to that opportunity. Orange is not the first, second, or even third entry into the mobile telecom sweepstakes in Britain, but the fourth.

While Hutchinson's state-of-the-art digital system represents a major technological leap over its two largest competitors and their mostly analog systems, it suffers from a geographic reach that at present encompasses only half of Britain. Moreover, its handsets cost £300, compared with as little as £40 for its competitors' phones.

"The vast majority of people want cheap handsets and national coverage," said James

Porter, director of telecoms for the

Sources: Reuters, Telecom, Page 13

CURRENCY &amp; INTEREST RATES

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July 19

Eurocurrency Deposits

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Key Money Rates

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Forward Rates

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Interest Rates

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Bankers' Acceptances

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Corporate Bonds

July 19

Eurobonds

July 19

Euronotes

July 19

Eurostocks

July 19

Eurobonds

July 19



# Slowing Growth Of German M-3 Cheers Investors

Compiled by Our Staff From Dispatches

**FRANKFURT** — The Bundesbank said Tuesday on its website that it had reported a slowdown in German money-supply growth in June, raising investors' hopes of a cut in German interest rates and pushing up stock prices.

But economists and dealers were divided on whether the Bundesbank would ease its monetary policy on Thursday, the final meeting before its summer recess, which lasts until Aug. 18.

## Airbus Surpasses 1993 Order Level

Bloomberg Business News

**PARIS** — Airbus Industrie said Tuesday that it won more firm orders in the first half of 1994 than in all last year, vanquishing the European aircraft consortium past its U.S. rival, Boeing Co., during the period.

The company said it received 69 firm orders through June, giving it a 55 percent share of orders for planes with more than 100 seats. It said Boeing, with 51 orders, took 41 percent of the market. McDonnell Douglas Corp. was third with four orders.

Airbus, a consortium of Aerospatiale of France, British Aerospace PLC, Construcciones Aeronauticas SA of Spain and Deutsche Aerospace AG of Germany, said the improvement in orders signaled the start of a recovery from a four-year slump.

The Bundesbank said M-3, its broad measure of money in the economy and a favored indicator of future inflation, had expanded at an annualized rate of 11.3 percent in June. The figure was still way above its target for 1994 growth of 4 percent to 6 percent, but down from the 13.4 percent rise in May.

The 30-share DAX index responded by jumping 30.60 points, or 1.5 percent, to close at 2,128.79, while German government bond yields fell. The 10-year bond yield fell to 6.68 percent from 6.71 percent.

Hermann Reinsperger, chief economist at BHF Bank, said the latest data meant the Bundesbank could reduce its securities repurchase rate, a key money market rate that currently is 4.91 percent.

But he said it was questionable whether the 4.50 percent discount rate, the floor rate in the German money market, would be reduced Thursday.

The M-3 money supply comprises currency in circulation, sight deposits, time deposits for less than four years and savings deposits at three months' notice.

One factor boosting its growth since the start of the year has been investors' reluctance to transfer money into long-term paper, such as bonds, which do not figure in M-3.

Despite criticism that the figure has become meaningless because it has been so far above the target, economists think the central bank would be ill-advised to adjust it. (Reuters, Bloomberg)

# An Activist Takes a Capitalist Trip

## Nouvelles Frontières Fights for Rights of Passage

By Jacques Nacher  
*International Herald Tribune*

**PARIS** — Jacques Maillot, active a quarter-century ago in France's student protests, says he is still fighting for a kind of social justice: The right to travel.

"From the start, my idea has been to democratize travel, to make it available to everyone," said Mr. Maillot, whose company, Groupe Nouvelles Frontières SA, has surpassed its more well-known rival, Club Méditerranée SA, in the French domestic market and now ranks as the seventh-largest tour operator in Europe.

By widening the company's range of travel services, Mr. Maillot said he aimed over the next five years to lift Nouvelles Frontières to third place in Europe, behind Touristik Union International GmbH of Germany and Thomson Tour Operations Ltd. of Britain.

Starting by offering cut-rate charter flights to off-the-beaten-track destinations, Nouvelles Frontières is now active in almost all sectors of the travel industry, offering organized tours and do-it-yourself packages to 160 destinations around the world. By multiplying these destinations by a choice of hotels and add-on services, the company can offer nearly 400 travel products.

As volume has grown — it now claims upwards of 1.6 million customers a year — Nouvelles Frontières has ventured into related businesses. It operates its own airline, Corsair, with six aircraft including four Boeing 747s; a fast-growing string of seaside and mountain resort hotels; a car rental fleet; a language school to prepare its customers for their voyages; and a business-travel subsidiary that aims to offer discounts of up to 50 percent on first-class and business-class airline tickets.

Expanding his business with a keen eye to the managing the media — he is the company's top press officer — Mr. Maillot never shies away from the opportunity to get free publicity. He relishes high-profile fights with the government and Air France to ploy open protected markets. Most recently, his efforts resulted in Cor-

sair breaking the national carrier's monopoly on the route to New Caledonia. Nouvelles Frontières' strategy of combining low prices and freedom of choice appears suited for the times. Last year, as the recession ravaged Europe's tourism and airline industries, the company racked up a 12 percent increase in sales, to 5.58 billion French francs (\$1 billion), and pretax earnings edged up 1 percent, to 163 million francs.

In this financial year, which ends Sept. 30, Mr. Maillot said he expected "a

**'From the start, my idea has been to democratize travel, to make it available to everyone.'**

Jacques Maillot, founder, Nouvelles Frontières.

least" a 12.5 percent jump in sales and "a significant growth" in profit.

Mr. Maillot, 52, started out in the business by accident. As a law student who had gathered experience arranging boy-scout outings, Mr. Maillot began applying his organizational skills to putting together low-priced study tours for fellow students. The first one, to Morocco in 1965, drew 150 people, leading Mr. Maillot two years later to create Nouvelles Frontières as a nonprofit association that, with its fast-growing membership, could increasingly bargain for volume discounts from the major carriers and hotels. By 1973, the association had attracted nearly 40,000 customer-members and the government forced it to apply for a travel-agency license and become a tax-paying company.

To break away from the pack, Mr. Maillot refused to market his travel packages through established agencies, believing they would be unable to offer informed sales information on such a

wide product offering, especially alongside the packages of all the other tour operators they represent. Instead, he opened his own chain of agencies exclusively devoted to the company's products. Today, it operates more than 150 agencies — two-thirds company owned, one-third franchised — and 35 more are to open this year.

The main sales tool is a semiannual catalog and related brochures, on which the company spends about 20 million francs. The spring-summer 1994 catalog runs 722 pages, offering, for example, a two-week adventure trek from Paris to Tanzania, starting with a safari and ending with a six-day climb to the snows of Kilimanjaro — for 13,610 francs per person. Also on offer is a 17-day trip in November to Lake Chungara, 4,000 meters (13,200 feet) high in the Chilean Andes, to witness a total solar eclipse, at 19,390 francs, and a one-week motorcycle rally/camping tour on Crete, for around 4,000 francs, gasoline not included.

Because the company is healthy financially, with a 33 percent debt-to-equity ratio, Mr. Maillot said he saw no reason to take it public, although he said some of its subsidiaries, such as Corsair, the Paladien hotel chain or the Pops Car rental business, could be floated within the next two years "to speed up their development."

Mr. Maillot owns 25 percent of the Nouvelles Frontières holding company, with the rest held by company officers, several of which have been with the company almost since its founding.

Recalling his radical days, Mr. Maillot said he saw no contradiction between his social activism in 1968 and his capitalistic success. "I've always been a believer in liberalism in economic matters, and I've been on the left in the social domain," he said. "But you can't make social gains on credit. You need to make a profit."

## EU Concedes Aid to Wheat and Dairy Farmers

Compiled by Our Staff From Dispatches

**BRUSSELS** — European Union farm ministers broke a six-month deadlock over farm prices and milk quotas on Tuesday, with EU officials pledging over \$450 million in farm aid over the next 12 months.

The breakthrough was made after the European Commission conceded some aid for northern French producers of durum wheat, which is used to make pasta, and Germany moderated its own demands af-

ter taking over the rotating EU presidency on July 1.

Durum was a particularly difficult question, the German farm minister, Joachim Borcher, said after a 10-hour negotiating session.

France won the right to grow an extra 50,000 hectares (125,000 acres) of hard wheat outside its traditional areas for such crops, to be subsidized by the EU. Agriculture Minister Jean Puech of France had been pushing for rights to grow four times

as much. Spain, Portugal and Italy also had their hard-wheat quotas increased.

The European Commission also agreed not to reduce milk quotas over the next two seasons, and it pledged to limit to 3 percent any fall in guaranteed butter prices through 1995. It had initially proposed a 5 percent reduction.

The annual EU farm price talks, which began in February, have a history of stretching out over many months. (Reuters, AFX)

## MINING: Canadian Diamond Prospect Puts Sparkle Into RTZ's Outlook

Confirmed from Page II

on investing in the former Soviet Union. Mr. Wilson flatly insisted

that it would be "daff" to invest in existing mines there, citing a lethal combination of environmental problems and immense overstaffing. RTZ, he said, instead was evaluating identified but untapped deposits that lack the heavy baggage of existing operations.

Most controversially, that conservatism even extends to the futures markets: It avoids them. While many American copper companies, for instance, seized on a rise in copper prices that began in November by taking out options that guaranteed them at least a certain minimum price for their product, RTZ demurred. As 1994 progressed and copper prices continued to

rise, that seemed like a prescient strategy. It was not. It was a matter of long-held policy.

"Whenever you hedge, it costs you something, and the more sophisticated the hedge, the more it costs," said Phillip Crowley, RTZ's chief economist.

RTZ's view, in essence, is that the best defense against the risk of low commodity prices is a good offense — driving costs

ever lower. To do that, the company consistently invests \$500 million a year, even during the down part of its business cycle, to upgrade its operations.

See our  
Business Message Center  
every Wednesday

## TELECOM: Li Defies Caution Signals

Confirmed from Page II

Sawtell, an analyst with Warburg Securities in London. On that basis, he insists that Britain's two largest cellular-phone companies, Vodafone Group and Cellnet Ltd., still hold the winning cards.

By the end of next year, Orange expects to have expanded its network of base-station transmitters to the point where the system will be available to 95 percent of the nation's population. Also by then, many people say, the price of digital handsets probably will have come down at least 50 percent.

The problem is that, by that time, with all four cellular operators offering roughly similar coverage and service, analysts suggest the battle will depend on the price of the service.

One of the attractions of the British cellular market thus far has been its profit margins. Stefan Herz, an analyst with Smith New Court, estimates that Vodafone and Cellnet, which until this year had the market all to themselves, have had operating margins of more than 45 percent. With four players plying

the market, he says, "it is a completely different ball game."

The two new market players — Orange and Mercury One-to-One, a unit of Cable & Wireless PLC — initially have done what upstarts do everywhere. They have aggressively undercut the market leaders' prices to win market share. In Orange's case, its tariffs are roughly one-third below those of the market leaders.

In a battle that analysts say may ultimately hinge on price, Orange and Mercury face a serious handicap. Their digital networks use a new, high broadcast frequency called PCN, while the competition uses the older and more popular GSM frequency. PCN systems are more expensive to build because they need more base stations to cover the same geographic area as GSM systems.

Evan Miller, an analyst for Lehman Brothers, estimated the cost difference at \$300 million. What is more, because the PCN system is not nearly as widely used around the world, handsets geared to that system are not expected to fall in price

## EU Telecom Deregulation Dealt a Setback

The Associated Press

STRASBOURG, France — The European Parliament on Tuesday rejected a European Union proposal to deregulate Europe's telecommunications industry and open it up to outside competition by 1998.

Using new powers gained under the new Maastricht Treaty, the Parliament rejected a so-called Open Network Provision to open telephone calls to greater competition, as agreed by the 12 EU countries last year.

The Parliament objected to the fact that EU countries refused to give the legislature a role in the work of a "management committee" that will make a number of follow-up proposals to implement the law.

The vote means the EU will have to review its telecommunications strategy.

## CURRENCY AND CAPITAL MARKET SERVICES

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NYSE

**Tuesday's Closing**  
Tables include the nationwide prices up to  
the closing on Wall Street and do not reflect  
late trades elsewhere. Via The Associated Press

(Continued)

Stock	Symbol	Industry	Market Cap	12 Month Performance			PE Ratio	EPS	Div Yield	Low	High	Latest Price
				High	Low	Stock	Day	YTD				
American Electric Power	AEP	Utilities	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$2.50	2.5%	\$60.00	\$70.00	\$65.00
AT&T	T	Telecommunications	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$40.00	\$50.00	\$45.00
Becton Dickinson	BDX	Healthcare	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Boeing	BA	Aerospace	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Caterpillar	CAT	Industrial	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Charter Communications	CHTR	Telecommunications	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Citigroup	C	Financial	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Cisco Systems	CSCO	Technology	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
ConocoPhillips	COP	Energy	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Dow Chemical	DOW	Chemical	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
ExxonMobil	XOM	Energy	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Ford Motor	F	Automotive	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
General Electric	GE	Machinery	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
General Mills	GIS	Food	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
General Motors	GM	Automotive	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Home Depot	HD	Retail	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Intel	INTC	Technology	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
JPMorgan Chase	JPM	Financial	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Kraft Foods	KFT	Food	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Louisiana-Pacific	LPA	Wood Products	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Merck	MRK	Healthcare	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
National Grid	NGG	Utilities	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Novartis	NOV	Healthcare	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Pfizer	PFE	Healthcare	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Procter & Gamble	PG	Food	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Rite Aid	RITE	Retail	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Sabine Pipeline	SABN	Utilities	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Schlumberger	SLB	Energy	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Sh尔比	SHL	Utilities	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
State Farm	SFM	Insurance	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
United Technologies	UTX	Machinery	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Verizon	VZ	Telecommunications	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Wells Fargo	WFC	Financial	\$100.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Winn-Dixie	WD	Retail	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00
Yankee	YANKEE	Utilities	\$10.0B	+10.0%	-10.0%	10.0%	15.0	\$1.50	2.5%	\$100.00	\$120.00	\$110.00

12 Month Low Stock	DIV	PER	HOT	Low Loss Chg.	
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27	27	27	27	27	27
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29	29	29	29	29	29
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# Acer Returns To Profitability In U.S., Europe

Bloomberg Business News

TAIPEI — Acer Inc. said Tuesday its provisional first-half profit tripled, to a record 1.35 billion Taiwan dollars (\$51 million), and analysts said the personal-computer maker was likely to raise its full-year profit forecast for a second time.

The results, which the company attributed to increased sales and a return to profitability in its European and U.S. operations, were termed "very impressive" by Ben Chen, head of the Taipei office of Barclays de Zoete Wedd.

The U.S. and European units had losses of \$13 million in 1993, Stan Shih, Acer's chairman, said.

Sales rose 82 percent in the first half, to 13.6 billion dollars, the company said. While Acer's profit figures include earnings from its subsidiaries, its sales numbers do not.

Mr. Shih said that only Acer expected to "smoothly" reach the current full-year earnings target of 2.4 billion dollars, in part because of an expected 50 percent rise in shipments of desktop computers and a doubling of deliveries of notebook computers in the second half.

But analysts said the forecast, which was raised from 1.5 billion dollars in May, might well be raised again. Acer had profit of 1.1 billion dollars for all of 1993, a record year for

Taiwan's largest computer company.

Jon Ross, chief of HG Asia Securities in Taipei, predicted Acer's 1994 net earnings would reach 2.7 billion dollars. Acer's shares fell to 98 dollars on the Taipei stock market. Mr. Ross said the earnings announcement, which came after the market closed, was "within expectations."

Mr. Chen said results were helped by steady prices for memory chips made at Acer's 38 percent-owned subsidiary, Texas Instruments-Acer Inc. Acer did not say how much profit the venture had contributed.

Texas Instruments-Acer accounted for more than half of Acer's first-quarter profit of about 500 million dollars.

Texas Instrument-Acer is 26 percent-owned by Texas Instruments Inc. and 16 percent by China Development Corp., a Taiwan investment firm.

## Japan Plans Chip Project

Japan hopes to launch an international project to develop large silicon wafers, The Associated Press reported from Tokyo, quoting Japanese officials.

The officials, who said the project could improve efficiency in computer-chip production by a factor of five, said the Ministry of International Trade and Industry would seek to begin the seven-year, 18 billion yen (\$183 million) project in March.

The Associated Press

NEW DELHI — Money brings problems. That is a lesson that chronically poor India is beginning to learn as its cash reserves suddenly pile up.

Three years ago, the country's treasury had just enough foreign-currency reserves to pay for two weeks' supplies of petroleum and cooking oil. Facing bankruptcy, India overhauled its economy.

Now, its bank account is overflowing thanks to success in attracting foreign investors. Reserves are \$16 billion, their highest level ever. Economists predict they may reach \$24 billion by the end of the year.

But financial managers are worried that too much money will prompt inflation, now running at over 10 percent annually, to soar out of control.

The reason is that India's government is committed to buying all the foreign money that is flowing in, forcing it to print more of its own currency, with no backing by gold reserves.

Meanwhile, imports are stagnant because industry is not growing fast, and there are few domestic buyers for foreign currencies, even though the limits are off on how much money business executives and tourists can buy for traveling abroad.

The problems of the wealthy — in a country where half the population still is too poor to eat properly — is just one of the paradoxes created by the three-year-old reforms that have swept away government controls to make industry more competitive.

It is not just that too much money is flowing in, say observers. Rather, it is the wrong kind of money. The government had hoped that when it ended its monopolies on heavy industries and opened them to foreign investment, outside money would finance new dams, oil refineries, and steel plants.

"But foreign direct investment in the core sector is just a trickle," said N. Chandramohan, an editor with Business India, a leading fortnightly. "If the pie chart does not change

in two years, then I will say that the reforms are not working."

Of the \$4.7 billion that poured into India since the beginning of 1993, only \$600 million was direct investment. The rest went into stocks.

Of the little money that did go into industry, nearly all of it was directed toward quick-return businesses such as food processing, textiles and services.

The World Bank, which has lent India \$1.3 billion over the past three years, has criticized

## Foreign-currency reserves are a record \$16 billion.

the government for not spending enough on building roads, primary education and alleviating poverty.

At the same time, it has attacked the government for overspending and building a budget deficit of 7.3 percent of gross domestic product. "The central government deficit could endanger India's economic prospects," the Bank warned in a recent report.

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The primary market for the gas would be new gas-fired power plants which would be constructed during the next two to five years and connected into the northern Chile power grid." BHP said.

After BHP posted record net profits of 1.2 billion Australian dollars (\$944 million) for the year ended May 31, Managing Director John Prescott said the company intended to diversify into power generation.

He then said BHP had established a group to hunt down opportunities, particularly in Asia and South America, where high returns were possible.

BHP, the largest Australian company, said BHP Power had signed the deal with the state oil companies of Bolivia and Chile,

Yacimientos Petroleros Fiscales Bolivianos and Empresa Nacional de Petróleo.

Mr. Hodgson said BHP hoped to develop natural gas sources in Bolivia for the project.

# BHP Plans Chile-Bolivia Gas Pipeline

Agence France-Presse

SYDNEY — Broken Hill Proprietary Co. has signed a deal to build an international gas pipeline as part of a major power generation project in Latin America, BHP said Tuesday.

The deal would be the first large project for the company's recently created affiliate BHP Power, according to Ted Hodgson, BHP's manager of strategic communications.

Under the plan, BHP would be the lead developer of a 1,100 kilometer (680-mile) gas pipeline running from southern Bolivia to northern Chile, and of related power-generation projects.

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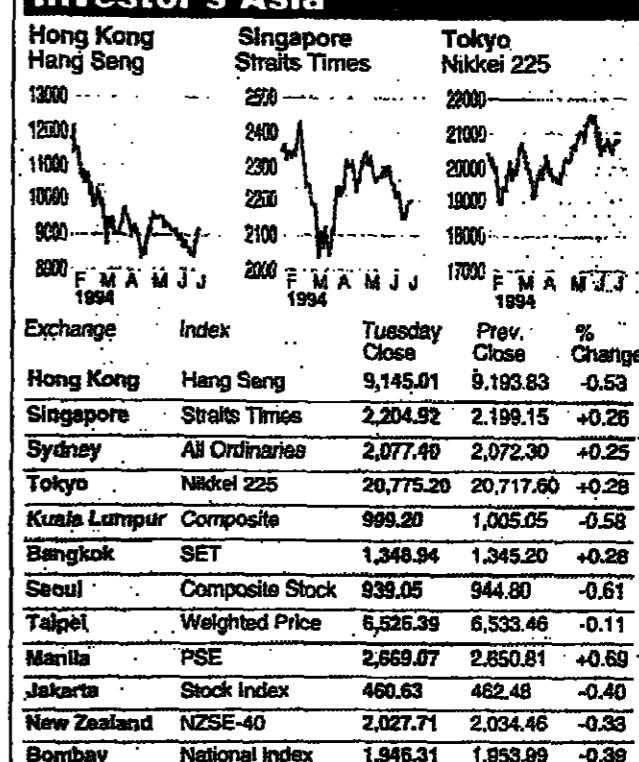
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## ASIA/PACIFIC

### Investor's Asia



Sources: Reuters, AFP

International Herald Tribune

### Very briefly:

Malaysia's level of private consumption is rising faster than official estimates, threatening to increase inflation, according to the Malaysian Institute of Economic Research.

APT Satellite Co., a China-led consortium, has been granted a license to establish a satellite station in Hong Kong, a government spokesman said.

Philip Holzmann AG, the German construction company, and Lyonnaise des Eaux-Dunelm, the French utilities concern, are in a consortium that has won a 237 million Deutsche mark (\$153 million) contract for the third phase of construction of the Xiaolangdi dam in China.

Hagemeier NV, the Dutch marketing, sales and distribution company, and the Swiss marketing concern Cosa Liebermann plan a joint venture in Hong Kong.

Reuters, AFP, AP

# Taiwan's Engineers Coming Home to Roost

By Edward A. Gargan  
New York Times Service

HSINCHU, Taiwan — By most measures, Wu Tao-yuan had it made. As head of a research and development lab for International Business Machines Corp. in Silicon Valley, he was at the peak of his profession.

But still, he was itchy. "I'd been at IBM long enough," said Mr. Wu, who holds a doctorate in electrical engineering from Stanford University. "I saw that my future was limited here because of the nature of the beast. Taiwan presented a much greater opportunity for me."

It was to here that Mr. Wu and hundreds of other American-educated Taiwan engineers came, to the high-technology companies grouped in an industrial park and processing zone created by the Taiwan government 15 years ago to encourage the growth of applied science and technology.

After a slow and hesitant start, Taiwan's Science-Based Industrial Park, home to 150 high-technology businesses, generated nearly \$5 billion in sales last year.

tion of integrated circuits, specialized telecommunications equipment, optical-electronics and less successfully, a handful of biotechnology companies.

While the companies here are privately owned and managed, Taiwan's National Science Council has poured hundreds of millions of dollars into the park to buy land, erect build-

ings and to provide grants for research and development.

"We do not interfere in the daily business of the companies," Mr. Hsieh said. "They are on their own. But if the company would like government equity, the government will be willing to chip in. But actually, this was significant only in the early history of the park. Sentiment has changed, and the government role is diminishing."

Now, Mr. Hsieh is the director of quality and reliability at the Taiwan Semiconductor Manufacturing Co., the largest fabricator of integrated circuits in Taiwan.

Mr. Hsieh said the corporate culture of Taiwan Semiconductor was more American than Taiwanese. In part, this is because the company has an American president, Donald W. Brooks, and because of the predominance of U.S. customers. Indeed, the company's success has come not from creating its

own chips but from building the factories and the technology to manufacture designs for integrated circuits created elsewhere, usually in the United States.

"Relatively speaking," Mr. Hsieh said, "the United States has companies that do excellent design. But they don't have the capital or willingness to invest in a fabrication facility. We don't have our own brand-name products. We manufacture them for other designers. Taiwan just doesn't have enough experience in circuit design yet. It's starting to show up, but it's slow."

Last year, Taiwan Semiconductor had sales of \$473 million, with profit of \$165 million. The importance of American chip design companies, many of which are in Silicon Valley, was demonstrated by the fact that 61 percent of the company's total revenue was based on sales to the United States.

## FIDELITY FAR EAST FUND

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### DIVIDEND NOTICE

At the Annual General Meeting held on June 28, 1994, it was decided to pay a dividend of USD 0.07 (7 cents) per share on or after July 5, 1994 and to holders of bearer shares upon presentation of coupon no 15.

Paying Agent:

KREDITBANK S.A. LUXEMBOURGOISE  
43, Boulevard Royal  
L-2449 Luxembourg

**Fidelity Investments**

## GROUPE SEB

### CALOR. ROWENTA. SEB. TEFLA. 1ST SEMESTER CONSOLIDATED SALES

	1994 (F.R.F. millions)	1993 (%)	12 months rolling (%)
France	1,384	+ 1	+ 0.8
Germany	524	- 5	- 0.8
Other European countries	1,143	+ 4.5	-
NAFTA*	546	+ 26	+ 29
Other countries	317	+ 5	+ 12
Total	3,900	+ 4.5	+ 3.7

\* North American Free Trade Agreement.

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"Many people went to the United States and stayed forever, many for political reasons because Taiwan was under martial law," he said. "Some of these people got into middle-age crisis. So we've tried to recruit them to come here and start high-tech companies."

Today, the 150 companies here cover an array of high-tech industries, including the manufacture of personal computers and peripheral devices, fabrics

and

for inspection at the Office of the Clerk of the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, Fifth Floor, New York, New York 10004, from Monday to Thursday between the hours of 10:00 a.m. and noon and 2:00 p.m. and 3:00 p.m., and (ii) Counsel Pre-Trial, Claims Agent, 11 East 36th Street, Fourth Floor, New York, New York 10016, each weekday during regular business hours.

Please take further notice that copies of the Debtor's Schedules of Liabilities are available for inspection at (i) the Office of the Clerk of the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, Fifth Floor, New York, New York 10004, from Monday to Thursday between the hours of 10:00 a.m. and noon and 2:00 p.m. and 3:00 p.m., and (ii) Counsel Pre-Trial, Claims Agent, 11 East 36th Street, Fourth Floor, New York, New York 10016, each weekday during regular business hours.

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# NASDAQ

Tuesday's 4 p.m.  
This list compiled by the AP, consists of the 1,000  
most traded securities in terms of dollar value. It is  
updated twice a year.

12 Month High Low Stock	Div	Yld	PE	1993	20a	High	Low	Last	Chg
<b>A</b>									
180 4% AACOMS				12	12	14	12	13	-1
200 12% ABT				15	15	15	15	15	0
22 7% ACEDS				120	120	120	120	120	0
42% 20% ACER				15	15	15	15	15	0
174 10% AEC CRN				10	10	11	10	10	-1
274 19% AEG				50	50	50	50	50	0
274 19% AEG Mid				12	12	12	12	12	0
32 12% AEG Power				12	12	12	12	12	0
214 12% AEG Power H				12	12	12	12	12	0
274 13% AEG Power I				12	12	12	12	12	0
154 3% AEG Pro				8	8	8	8	8	0
324 20% AEG Pro				12	12	12	12	12	0
214 12% AEG Pro				12	12	12	12	12	0
42% 20% AEG Pro				12	12	12	12	12	0
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214 12% AEG Pro				12	12	12	12	12	0
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# SPORTS

## At Alpe d'Huez, Conti Captures the Climber's Gem

By Samuel Abt  
*International Herald Tribune*

**ALPE D'HUEZ, France** — Roberto Conti, an Italian rider, won the jewel of the climbing stages in the Tour de France on Tuesday and helped shake up the overall standings as the bicycle race completed the first of four stages in the Alps, those spindors of nature.

Conti crossed the line an impressive 2 minutes 2 seconds ahead. That moved him up the ranks from 11th place to sixth and gave him a fighting chance to finish second overall, the only big battle left before the Tour ends in Paris on Sunday.

Conti, who rides for the Lampre team, was ecstatic about his performance.

"It's a great victory for me, the greatest of my career," he said.

Nevertheless, he continued, he knows that he is a support rider and will return to that role, working for the team and not himself, in the mountainous days to come.

But he will have something to remember when he is following his leader's orders. The Alpe d'Huez stage, with its long and steep rise up 22 switchbacks, usually attracts an enormous number of spectators, perhaps a quarter of a million, and the day all climbers spend the winter dreaming about.

His strategy was simple. Conti slipped into an early 14-man breakaway that built a lead of more than 8 minutes over two mountains rated second category, in an ascending scale of four to one in difficulty.

Then, out of the low clouds that shrouded the Alps on Tuesday as the weather finally turned cool, there stood Alpe d'Huez, beyond category. On the many twists of the 13.8-

kilometer (8.5-mile) climb, Conti disposed of his companions.

In second place was Hernan Buenahora, a Colombian with Kelme. Third, 3:49 behind the winner, was Udo Bolts, a German with Telekom, in the same time as Alberto Elli, an Italian with GB-MG, who was fourth.

Despite the turn in the weather, attrition continued to be a factor. Of the 189 riders who started the Tour on July 2, just 128 remain. Seven more dropped out Tuesday, victims

The Alpe d'Huez stage is the day all climbers spend the winter dreaming about.

of fatigue brought on by a heat wave and the race's rapid pace.

Conti was timed in 6 hours 6 minutes 45 seconds, an hour average of 36.7 kilometers over the 224.5 kilometers from Valréas in the flatlands to Alpe d'Huez in the stratosphere.

On the way there, Miguel Indurain, the Spaniard who rides for Banesto and is saluting away his fourth successive victory in the Tour, lost 35 seconds of his huge lead. It is now down to 7:21 over Richard Virenque, a Frenchman with Festina. He came in 11th on Tuesday, and Indurain was 12th.

The Spaniard looked strong and untroubled coming up to the 1860-meter-high peak. On a steady descent Monday, he nearly went over the edge of a mountain when his wheels locked and his front wheel skidded, so the loss of 35 seconds had a clear passage to the finish.

The long road up to Alpe d'Huez was strangely devoid of the red, white and blue bands of the Dutch flag and the encouraging cry of "Hup, hup" was rarely heard. On the other hand, for once there were few rowdies in the crowd and the riders had a clear passage to the finish.

Beside Conti, the day's gainers included Luc Leblanc, another Frenchman with Festina, who rose from fourth place to third; Marco Pantani, an Italian with Carrera, who rose from sixth place to fifth and Elli, who rose from 13th place to eighth.

Those on the down staircase included Armand De Las Cuevas, a Frenchman with Castorama, who fell from third place to fourth; Vladimir Poulikov, a Ukrainian with Carrera, who fell from fifth place to seventh; and Abraham Olano, a Spaniard with Mapei-Clas, who fell from 10th place to 16th.

The main losers on the day, however, may have been the Dutch fans of professional bicycle racing. They usually flock to Alpe d'Huez, camping overnight in its meadows, for a chance to cheer on their countrymen. And Dutch climbers have often responded with victories.

Not lately, though, and surely not Tuesday. Erik Breukink, who rides for ONCE, was the first Dutchman to cross the line, in 47th place, 13:44 behind Conti.

Since that placing was unexpected and since two of the few other Dutch climbers of note, Steven Rooks and Gert-Jan Theunisse, both of the TVM team, dropped out in the Pyrenees, many Dutch fans went elsewhere for their summer vacations.

The Spaniard looked strong and untroubled coming up to the 1860-meter-high peak. On a steady descent Monday, he nearly went over the edge of a mountain when his wheels locked and his front wheel skidded, so the loss of 35 seconds had a clear passage to the finish.



It was a day of celebration for Roberto Conti of Italy, who moved up to sixth place.

## White Sox Win in 13th to Move Atop AL

The Associated Press

The Chicago White Sox didn't bother checking Cecil Fielder's bat. Instead, they just waited for Alan Trammell to uncork a wild throw.

Trammell's error in the 13th inning Monday gave the White Sox a 10-9 victory

### AL ROUNDUP

over the Detroit Tigers in a game featuring seven home runs at Comiskey Park.

Frank Thomas hit a grand slam, Julio Franco connected twice and Robin Ventura also homered for Chicago, which overcame a six-run deficit. Fielder homered twice for the Tigers and Kirk Gibson also homered.

The White Sox won for the 15th time in 18 games, and moved past Cleveland into first place in the AL Central Division.

Thomas's 34th homer and third career slam tied it, 9-9, in the seventh. In the 13th, Joey Cora drew a leadoff walk from Storm Davis and Tim Raines sacrificed. After Thomas was intentionally walked, Franco hit a grounder to Fielder at first base.

Fielder threw to Trammell at second for a force-out, but the shortstop's return throw sailed over the head of Davis, who was covering at first base, and Cora scored.

Rangers 6, Indians 5: Jose Canseco doubled home the tiebreaking run with two outs in the ninth for Texas, handing Cleveland only its fifth loss in its last 29 home games.

Albert Belle, suspended Monday for 10 days for using a corked bat, went 1-for-4 for the Indians. He is appealing the penalty, and is just 3-for-16 since his bat was confiscated last Friday.

Ivan Rodriguez hit a two-run single in the seventh off Jose Mesa as the Rangers tied it, 5-5. Jeff Frye doubled with one out in the ninth and Canseco doubled off the bullpen fence in dead center.

Angels 13, Red Sox 4: In Anaheim, California, J.T. Snow hit a grand slam—the first of his career—against Boston and the Angels scored nine runs in the first inning.

Jim Edmonds had an RBI triple and an RBI double in the Angels' biggest inning since a nine-run burst on May 8, 1989, at Detroit.

Yankees 5, Athletics 3: Danny Tartabull hit his 17th home run and New York triumphed in Oakland, California. The Yankees have won five straight since the All-Star break, all on the road.

Tartabull had three hits and drove in two runs. He had a grand slam Sunday in Seattle.

Mariners 7, Orioles 5: Edgar Martinez doubled home two runs in the eighth inning against visiting Baltimore as Seattle ended a five-game losing streak.

Ken Griffey Jr. reached base on an error by the second baseman, Mark McLemore, and stole second in the eighth. After Jay Buhner walked, Martinez doubled off Mark Eichhorn.

Blue Jays 7, Twins 4: Joe Carter hit his 20th home run and drove in four runs as Toronto sent Minnesota to its eighth straight loss.

Carter reached the 20-homer mark for the ninth consecutive season. He has 13 RBIs in 10 games against Minnesota this season. Kirby Puckett, his 15th homer for the Twins. He leads the American League with 85 RBIs, one more than Carter.

Royals 2, Brewers 0: Jose Lind hit his first AL home run and a fill-in starter, Chris Haney, pitched seven strong innings as Kansas City won in Milwaukee.

Haney was called up from the minors just for the game. He had a 9.70 ERA in five starts earlier this season for the Royals, and was brought back only because Kansas City was playing its sixth game in five nights.

Haney allowed five hits and struck out five.

## Down by 11 Runs, Astros Rack Up 15 To Beat Cardinals

The Associated Press

The Houston Astros are proving there's no such thing as a safe lead or an insurmountable deficit.

Trailing 11-0 after three innings, the Astros pulled off a record-tying comeback Monday night to defeat the St. Louis Cardinals, 15-12, in Houston.

"As we kept getting closer, we started smiling it," said Kevin Bass, one of four Astros to drive

Houston's 11-run inning came against four pitchers.

Giants 7, Phillies 5: In Philadelphia, Barry Bonds hit his fifth home run in four games and Darryl Strawberry delivered another big hit before being injured as San Francisco won the ninth straight.

The Giants are 9-0 since Strawberry joined them. He hit a two-run single in the first, then left the game after the top of the second with an injured left hamstring.

Bonds, who has 12 hits in his last 23 at-bats, was 2-for-4 and hit his 28th homer this season and the 25th of his career.

Expos 9, Padres 2: In Montreal, the Expos beat San Diego for the 10th straight time this season. Marquis Grissom had two of Montreal's 15 hits and scored twice for the Expos, who have outscored the Padres, 63-17, this season.

Eleven hits, three Padres errors and a balk by Bill Krueger enabled the Expos to take an 8-1 lead after four innings.

Reds 5, Marlins 3: Kevin Mitchell and Reggie Sanders hit consecutive homers off Charlie Hough in the sixth to power Cincinnati past visiting Florida.

The solo homers broke open a tie game and sent Florida to its fourth straight loss.

Braves 3, Pirates 2: In Pittsburgh, Kent Mercker pitched a two-hitter for Atlanta, and rookie Mike Kelly hit his first major-league homer and doubled.

Mercker shook off the Pirates' two-run second inning to retire the final 18 batters for his fifth victory in six starts.

Fred McGriff homered again in Pittsburgh, just as he did in the All-Star game, as the Braves finally figured out how to win at Three Rivers Stadium. The Braves started the season 17-17 against the Pirates and were swept in a three-game series there on April 29-May 1.

Cubs 6, Rockies 3: Jim Bulinger pitched a five-hitter and drove in three runs for visiting Chicago, which snapped Colorado's four-game winning streak.

American League officials X-rayed the bat, then saw it in half before declaring on Monday that the bat was "found to have been treated with cork."

The All-Star outfielder appealed the suspension, which will be delayed until his hearing before the league president, Bobby Brown, on July 29.

A team spokesman said Bell would make no statement. The bat had mysteriously disappeared from the umpires' room at Comiskey Park for two days after officials had seized it.

## Indians' Belle Suspended for Corking Bat

The Associated Press

CLEVELAND — Albert Belle of the Cleveland Indians was found guilty of corking his bat and suspended for 10 days after a weekend investigation that included a mysterious switched bat.

American League officials X-rayed the bat, then saw it in half before declaring on Monday that the bat was "found to have been treated with cork."

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## Players and Owners Each Snub Proposals

By Richard Justice  
*Washington Post Service*

NEW YORK — Baseball's players and owners have rejected one another's proposals, keeping the sport on a familiar path that seems all but certain to produce a player strike.

In a four-hour session on Monday, the union chief, Donald Fehr, argued that the owners' salary cap proposal would hurt free agency, reduce salaries and lower incentives for industry growth.

"We're not about to re-invent the wheel here," Fehr said. "That's not what we're setting out to do."

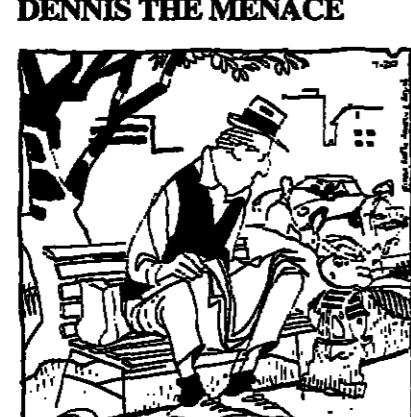
Said Richard Ravitch, chief negotiator for the owners, "It ain't gonna fly."

In essence, the owners want to impose a salary cap — a limit on player payrolls — and the players don't. The owners have said they are ready to declare an impasse to implement their new system in the offseason, and the players have said they'll call a strike this season as a pre-emptive measure.

The only question seems to be when the strike will begin and how long it will last. Fehr said a formal strike date will be set within the next two weeks, and sources said the union was considering everything from Aug. 16 to Sept. 30.

The players say they'll go for an earlier date if they believe a settlement was possible that would save the playoffs and World Series. But if they're convinced the owners are unified and determined to get a salary cap, they may wait until the final weekend of the regular season. Neither side seemed optimistic Monday, but informal meetings were set for Wednesday.

### DENNIS THE MENACE



### PEANUTS



### GARFIELD



### CALVIN AND HOBBES



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# SPORTS

## For Soccer to Win American Hearts, It Must Create Some Heroes



Roberto Baggio had a wave and a smile for fans upon returning to Rome on Tuesday, as thousands welcomed home the fourth-place Bulgarians in Sofia.



Georgi Kostov / Agence France-Presse

### Cheers in Brazil and a Few Jeers in Italy

Compiled by Our Staff From Dispatches

There were cheers for the players and some jeers for the coach as the Italian soccer team returned home Tuesday, while tens of thousands turned out to welcome the Brazilian squad in Recife, Ceará.

Some 1,000 flag-waving fans greeted the Italians at Leonardo da Vinci airport after their flight from Los Angeles. They held up signs that read "still invincible" and "thanks anyway."

The Brazilians, winners of an unprecedented fourth World Cup title, arrived to a red-carpet official welcome and a rapturous reception from millions of ecstatic fans.

In a marathon day of celebrations, the coastal city of Recife in northeast Pernambuco state was first to greet the returning heroes after their 3-2 victory on penalties in the World Cup final Sunday. Thousands of people, many waving national flags or waving clothes or hats in the national colors of green and yellow, crowded the city streets to cheer the squad in an 18-kilometer (11-mile) victory parade.

In Rome, a group of fans waving banners for the Italian club Lazio and chanting "Signori" heckled Arrigo Sacchi, the

coach. In a controversial decision, Sacchi did not play Giuseppe Signori, the Lazio striker and league's top scorer, in the final.

"They're ignorant and I've had it up there with ignorant people," Sacchi said. "I have no reason to be bitter. Brazil played better than we did and so they deserved to win the World Cup."

The team's star striker, Roberto Baggio, whose missed penalty kick sealed Italy's defeat in the first World Cup decided by a penalty shoot-out, was one of the few players who smiled as he descended from the plane. He blew kisses to the crowd before the police escort him away.

Several players, including the midfielders Dino Baggio and Roberto Donadoni, still seemed in shock over the loss.

Donadoni, who frowned most of the time and hung his head low, said some fans were ungrateful.

"We could have been spared some of these remarks," Donadoni said, referring to criticism of Sacchi.

In Sofia, a huge and boisterous crowd welcomed the Bulgarian team.

A guard of honor greeted the team at the airport and a military band played the

national anthem. President Zhelyu Zhelev was on hand, along with Alexander Yordanov, the chairman of Parliament.

After the ceremony, the team left in a long convoy of cars escorted by motorcycle police. Thousands of fans lined the streets waving the Bulgarian flag and cheering the convoy on its way to the National Stadium in central Sofia. (AP, Reuters)

#### ■ Brazil Tops Final Poll

Brazil held the top spot in the final Sprint Soccer Poll, a weekly ranking of the top 10 national teams as voted on by an international panel of soccer journalists, poll organizers said Tuesday. The Associated Press reported.

Brazil received all 51 first-place votes for the maximum 510 points. Italy held second-place with 459 points. The Netherlands placed third with 404 points, followed by Argentina with 352 and Germany with 307.

Sweden was sixth in the poll with 258 points, while Bulgaria ended up seventh with 188. Rounding out the top 10 were Romania with 139 points, Belgium with 84 and Nigeria with 34.

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Romania with 139 points, Belgium with 84

and Nigeria with 34.

Meola Signs With N.Y. Jets

The Associated Press

HEMPSTEAD, New York — Tony Meola, the goalkeeper for the U.S. soccer team, is now a kicker for the New York Jets of the National Football League.

The Jets announced Monday that they had signed Meola to a contract at an undisclosed amount.

"We gave Tony quite an extensive workout late last week and were really impressed by his leg strength and accuracy," said Dick Stenberg, the general manager for the Jets.

A national team member since 1989, Meola is expected to play in the new U.S. soccer league, set to begin in April 1995. That would not conflict with the NFL season,

which ends in January with the Super Bowl.

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